

Melinda S. Eden  
Chair  
Oregon

Joan M. Dukes  
Oregon

Frank L. Cassidy Jr.  
"Larry"  
Washington

Tom Karier  
Washington



Jim Kempton  
Vice-Chair  
Idaho

Judi Danielson  
Idaho

Bruce A. Measure  
Montana

Rhonda Whiting  
Montana

## Council Meeting

Boise, ID

April 12-14, 2005

### Minutes

Melinda Eden called the meeting to order at 2:10 p.m. on April 12 and adjourned at 10:30 a.m. on April 14. Rhonda Whiting was absent for the Tuesday portion of the meeting.

Jim Kempton moved that the Council add to the agenda of the meeting discussion of a letter to NOAA Fisheries regarding sea-lion predation at Bonneville Dam; find that Council business requires this discussion; and that no earlier notice was possible. Larry Cassidy seconded, and the motion passed unanimously.

Kempton moved that the Council add to the agenda of the meeting a discussion in executive session of matters regarding the potential for civil litigation associated with alternative courses of Council action; find that Council business requires this discussion; and find that no earlier notice was possible. Cassidy seconded, and the motion passed unanimously.

Kempton moved that the Council meet in executive session at the call of the Chair to discuss matters regarding the potential for civil litigation associated with alternative courses of Council action. Cassidy seconded, and the motion passed on a roll-call vote. Whiting was absent.

On Thursday morning, Whiting moved that the Council add to the agenda of the meeting a discussion in executive session of internal personnel matters; find that Council business requires this discussion; and find that no earlier notice was possible. Tom Karier seconded, and the motion passed unanimously.

Whiting moved that the Council meet in executive session at the call of the Chair to discuss internal personnel matters. Bruce Measure seconded, and the motion passed on a roll-call vote.

**Reports from Fish and Wildlife, Power and Public Affairs committee chairs:** Rhonda Whiting, chair, fish and wildlife committee; Tom Karier, chair, power committee; and Larry Cassidy, chair, public affairs committee.

#### **1. Council decision on within-year funding and approval of draft criteria for fish and wildlife adjustments:** Mark Fritsch, manager, project implementation.

Staffer Mark Fritsch led a discussion of proposed criteria for prioritizing FY 2005 within-year project funding requests developed by the Budget Oversight Group (BOG) that the Council, Bonneville, and the Columbia Basin Fish and Wildlife Authority (CBFWA) formed last year. He

Kempton moved that the Council approve the criteria for evaluating and prioritizing within-year funding requests, as developed by the BOG and as presented by staff, with the changes in criterion #2 language adopted by the members at the meeting, and Dukes seconded. Cassidy proposed amending the motion to

delete criterion #5, “other,” from the list of criteria, and Dukes seconded. The Council approved Cassidy’s amendment to the motion, and then passed Kempton’s original motion.

Kempton moved that the Council approve within-year funding requests for projects in three categories: requests to meet unforeseen emergencies, requests to satisfy ESA obligations, and requests to avoid threats to project integrity, as outlined in a letter from Bonneville and as presented by staff as the first seven projects on a chart titled Within-Year Requests (Bonneville, April 8, 2005) in an amount not to exceed \$721,488. Danielson seconded, and the motion passed unanimously.

**2. Council decision regarding membership in Grid West:** Wally Gibson, manager, system analysis and generation.

Karier said the Power Committee has recommended that the Council become a member of Grid West and that Karier be named as the Council’s representative to Grid West, with staffer Wally Gibson as his alternate. Kempton moved that the Council authorize staff to prepare and submit an application for membership in Grid West, naming Tom Karier as the Designated Representative and Wally Gibson as the Alternate. Cassidy seconded, and the motion passed unanimously.

**3. Council decision to release the John Day subbasin plan for public comment:** John Ogan, senior counsel.

Staffer John Ogan recommended Council adoption of the John Day subbasin plan as a draft amendment to the fish and wildlife program and its release for public comment. Dukes moved that the Council release for public comment the subbasin plan recommendation for the John Day Subbasin Plan as a draft amendment to the Columbia River Basin Fish and Wildlife Program and direct staff to give appropriate notice of the Council’s action and the opportunity for comment. Cassidy seconded, and the motion passed unanimously.

**4. Council decision on funding for habitat and production objectives integration:** Bruce Suzumoto, manager, special projects.

Staffer Bruce Suzumoto asked the Council to approve funding for a “technical exercise” to better integrate hatchery programs with subbasin plans. It would use the “All-H-Analyzer” model (AHA) and result in a comprehensive web-based data system that would include all the anadromous fish subbasins in the Columbia Basin. The budget would be \$300,000.

Kempton moved that the Council approve the workplan and budget, in an amount not to exceed \$300,000, for the hatchery-subbasin plan integration technical exercise, as presented by staff; and recommend that Bonneville negotiate contracts to implement this project. Cassidy seconded, and the motion passed with six yes votes. Whiting and Measure were absent.

**5. Briefing on proposed borrowing restriction for Bonneville Power Administration capital investment:** Mark Walker, director, public affairs division; and Terry Morlan, manager, economic analysis.

Staffer Mark Walker said the Administration’s proposal to count third-party debt under Bonneville’s borrowing authorization is “a very, very serious threat to Bonneville’s authority.”

The Administration’s proposal would require new third-party debt to be included under the borrowing authority limitation, thus removing one of the paths Bonneville has to operate within its debt cap and still meet its obligations, he stated. At currently planned annual borrowing and repayment rates, Bonneville is expected to reach the statutory cap of \$4.45 billion by 2010, and this “looming inability to finance investments in transmission facilities, conservation, F&W, and the hydro system threatens Bonneville’s ability to meet its obligations to provide the region with an adequate, efficient, economical, and reliable power system,” according to staffer Terry Morlan.

From 2005 to 2010, Bonneville’s borrowing will average \$517 million a year, Morlan noted. This proposal would “hit at some of the things that are key to the Council’s mission,” he said. The Council

decided to post Morlan's report on the Council website and schedule a conference call with the Congressional delegation to discuss its contents.

**6. Council decision regarding Bonneville Power Administration conservation funding:**

Dick Watson, director power division; Tom Eckman, conservation resources manager; and Charlie Grist, senior analyst.

Bonneville has identified a conservation target that is too small and is proposing insufficient funding for FY 2007-2009 even to meet the low target, staffer Dick Watson told the Council, presenting a draft letter for the Council to send to Bonneville expressing concern. Kempton moved that the Council approve in principle the letter to Bonneville regarding its proposed conservation funding levels for the FY 2007-2009 rate period, with changes adopted by the members at today's meeting and in subsequent review. Karier seconded, and the motion passed unanimously.

**7. Presentation by Idaho Power Company on hydropower outlook, conservation, and other issues:** Jim Miller, senior vice president, Idaho Power Company.

Jim Miller, senior vice president of Idaho Power, said snowpack levels in Idaho are running about 68 percent of normal, and if you tie that into the reservoir situation, "there isn't going to be a lot of water coming down the Snake River." We expect only 35 percent of normal water will be coming into Brownlee, and that is our primary hydro facility, he noted.

**8. Update on 2005 runoff forecast and possible financial and resource impacts:** John Fazio, senior power systems analyst; federal executives, and fish managers

Witt Anderson of the Corps of Engineers explained the proposed operation of federal projects under the 2004 BiOp this season

Suzanne Cooper of Bonneville said that multiple poor-water years have made it hard for Bonneville to manage its rates. We believe there is adequate power supply to meet loads, but Bonneville has called on utilities and other stakeholders to reduce energy use, she noted.

Ken Pedde of the Bureau of Reclamation pointed out there will be irrigation shortages and impacts on recreation and resident fish this year as a result of low flows. Unless we have a very good year next year, those impacts will carry over, and we likely won't be able to fill the system next year, he said.

We are concerned about the low numbers of spring chinook at Bonneville Dam, said Rob Walton of NOAA Fisheries. As for California sea lion #C404 in the fish ladder at Bonneville Dam, NOAA Fisheries is charged with protecting marine mammals, he said. We have instructed personnel to use non-lethal means to get the sea lion away from the fish ladder, Walton reported.

We are working with others in the region to develop a plan for non-lethal harassment, such as pyrotechnics and water cannons, Anderson said.

Pete Hassemer of the Idaho Dept. of Fish and Game led off a panel to comment on 2005 flows and impacts on fish. We've heard that flows will be low and there will be little water available from the Upper Snake for flow augmentation, he said. Dick Stone of the Washington Dept. of Fish and Wildlife said there is some reflection of the holdovers in the figures being presented, but he noted that the region is still discussing the research about fall chinook holdovers and what it means.

Jaime Pinkham of the Columbia River Inter-Tribal Fish Commission (CRITFC) said the tribes have a unique relationship with the salmon. We are seeking to provide for the recovery of the salmon with our support of the injunctive relief, he said.

Todd True said his coalition is concerned that the new BiOp released in November is a reversal of the commitment to protect salmon, and as such, it's appropriate to ask the court for injunctive relief.

Bob Heinith of CRITFC discussed 2001 juvenile in-river survival and transportation results, noting "transportation isn't a panacea for any Snake River stocks." Our studies show we are a long, long way

from sustainable, harvestable salmon runs, he said. We are finding that the sooner we can get fish to the estuary, the better off they'll be, Heinith stated.

We support the injunction because we think the Northwest can have both wild salmon and clean energy in abundance, said Sara Patton of the Northwest Energy Coalition, one of the plaintiffs in the litigation.

**9. Presentation on 2004 Mainstem research results:** Rock Peters, U. S. Army Corps of Engineers; Witt Anderson, U.S. Army Corps of Engineers; and Bruce Suzumoto.

Anderson said the Corps wants to start regularly bringing more of the results from its research to regional policymakers like the Council, introducing a presentation on 2004 research to support safe, efficient fish passage at Corps projects. Mike Langeslay of the Corps explained research involving juvenile fish passage at Bonneville Dam, including performance of the corner collector at Powerhouse 2, and survival rates after new minimum gap runner turbines were installed.

**10. Update on Program data management:** Peter Paquet, manager, wildlife and resident fish.

Staffer Peter Paquet reported on the work being done by the Northwest Environmental Data-Network (NED), which he said is a project that focuses on the development and implementation of a regional data management network for fish, wildlife, and water data. Stuart Toshach of NOAA Fisheries explained the background of the project, some of the findings to date, and the principles that guide NED. We will host an intergovernmental workshop on how to administer and organize data management in late May in Portland, Toshach said.

**Letter to NOAA Fisheries on Sea Lions**

Cassidy recommended the Council send a letter to NOAA Fisheries and the Corps asking them to "immediately initiate all available exception processes of the Marine Mammal Protection Act for the exclusion of predatory sea lions and seals from the Columbia River below Bonneville

Cassidy moved that the Council approve the letter presented by the staff to NOAA Fisheries and the U.S. Army Corps of Engineers regarding sea-lion predation at Bonneville Dam. Whiting seconded, and the motion passed, 7-0. Dukes was absent.

**11. Discussion of comment on draft research plan:** Steve Waste, manager, program analysis and evaluation

Staffer Steve Waste briefed the Council on public comments received on the draft Columbia River Basin Research Plan. Waste said the final draft of the plan will be sent to the science panels for review in late April. I hope to present the final research plan to you in August, he told the Council.

**12. Council decision on funding recommendations for Updated Proposed Action habitat proposals and discussion of UPA project review and implementation procedures:** Doug Marker, director, fish and wildlife division; and Mark Fritsch, manager, project implementation.

Marker recommended Council approval of several BiOp UPA habitat projects and explained that Bonneville would bring any information related to ISRP concerns to staff for review before project contracting takes place. Besides these projects, the remainder of the UPA proposals will go through the Council's annual project review process, he said.

Kempton moved that the Council recommend that Bonneville fund the UPA habitat proposals for: the Chewuch Diversion, the Fulton Diversion, and the Hottell Headgate in an amount not to exceed \$279,520 in FY 2005 funds, subject to the conditions outlined by staff. Karier seconded, and the motion passed unanimously.

**13. Council review of Bonneville fish and wildlife program funding assumptions:** Doug Marker; and Patty O'Toole, program implementation manager.

Bonneville has circulated a new draft long-term fish and wildlife funding agreement (MOA), and we've been talking with them about it, Doug Marker noted. We are discussing in what forums some of the issues Bonneville raised with respect to the MOA should be handled. We've made progress on designing some of the processes, and Bonneville wants to hear more about them, he added. We also need to resolve budget and accounting issues like whether accrual accounting is going to be used, Marker said.

Greg Delwiche of Bonneville said the draft MOA his agency circulated is intended to cover FY 2007-2009 financial commitments for the fish and wildlife program and budget and accounting guidelines. We hope the MOA will reflect commitments to: getting to management by performance standards; developing the allocation percentages for FY 2007 project selection; and developing prioritization criteria and doing cost sharing, he said. We want to see commitments on how these things will be dealt with down the road, Delwiche stated.

**14. Discussion of program amendment process to add provincial objectives:** John Shurts, general counsel; Bruce Suzumoto, manager, special projects; and Steve Waste.

Shurts updated the Council on work being done by staff on a program amendment process to add provincial-level population and habitat objectives to the fish and wildlife program. This would be the last step in the comprehensive revision of the fish and wildlife program begun in the 2000 program amendments, he explained. In May, we will bring you a detailed proposal for this amendment process, Shurts told the Council.

**15. Overview of Council Fiscal Year 2007 Budget and Fiscal Year 2006 revisions:** Steve Crow, executive director; Jim Tanner, administrative officer; and Sharon Ossmann, business manager.

Staffers Steve Crow and Sharon Ossmann briefed the Council on development of the Council's draft FY 2007 budget and revised FY 2006 budget, explaining how the Council plans to manage them to stay within the levels agreed upon with Bonneville. Ossmann said staff will present the draft budgets to the Council in May.

**16. Council Business:**

– **Approval of minutes**

Kempton moved to approve the minutes for the March 15-17, 2005 meeting held in Portland, Oregon. Cassidy seconded, and the motion passed unanimously.

– **Approval of contract with NewsData Corporation**

Cassidy reported the Public Affairs Committee recommends the Council approve \$13,000 per year to receive publications from the Energy NewsData Corporation. Kempton moved that the Council authorize the Executive Director to negotiate a contract with the Energy NewsData Corporation for its *Dispatch* publications in an amount not to exceed \$13,000. Cassidy seconded, and the motion passed unanimously.

– **Approval of Bonneville fish and wildlife spending report**

Karier explained the origin of the Bonneville fish and wildlife spending report and recommended the Council send the draft out for 30 days of public review. Kempton moved that the Council release for public comment the Bonneville fish and wildlife Spending Report and direct staff to schedule and give notice of the opportunity for public comment and add disclaimer language proposed by the Chair. Karier seconded, and the motion passed unanimously.

– **Council decision on ISRP appointments**

After a presentation by Marker, Kempton moved that the Council appoint Dr. Peter Bisson and Dr. Eric Loudenslager to the ISRP for three-year terms, through May 18, 2008. Karier seconded, and the motion passed unanimously.

– **Public comment on Council issue papers**

There was no comment on these issue papers.

- Klickitat Subbasin Anadromous Fishery Master Plan - YKFP-Klickitat *Design and Construction*, Project #1988-115-35; and
- Sekokini Springs Natural Rearing Facility and Educational Center Master Plan - *Hungry Horse Mitigation*, Project #1991-019-03.

Approved May 10, 2005

/s/ Jim Kempton

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Vice Chair

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