

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 Portland, Oregon

July 12-14, 2005

Minutes

Harvest Panel Workshop

Introduction and overview by Susan Hanna, member of the Independent Scientific Advisory Board and the Independent Economic Advisory Board.

1. Ocean Harvest Briefing –

Dell Simmons, NOAA Fisheries; Rick McNicol, Canada; and Scott McPherson, Alaska Department of Fish and Game (retired), members of the Joint Technical Committee of the Pacific Salmon Commission

In opening the Council's all-day workshop on salmon harvest, Council chair Melinda Eden acknowledged that the Council does not set harvest policy. But it is a topic of serious interest, and with the ISAB and IEAB reports on harvest complete, it is a good time to explore harvest issues in more depth, she said.

Rick McNicol of the Canadian Department of Fisheries and Oceans, Scott McPherson of the Alaska Department of Fish and Game, and Dell Simmons of NOAA Fisheries briefed the Council on ocean harvest.

2. In-River Harvest Briefing –

Pete Hassemer, Idaho Department of Fish and Game; Cindy LeFleur and Dick Stone; Washington Department of Fish and Wildlife; Stuart Ellis, Columbia River Inter-Tribal Fish Commission.

Cindy LeFleur of the Washington Department of Fish and Wildlife and Stuart Ellis of the Columbia River Inter-Tribal Fish Commission took to the river, gliding over the role of *U.S. v. Oregon*, the ESA, coordination with the PFMC, and in-season management. Ellis explained that *U.S. v. Oregon* defined the Treaty rights of Indian tribes to hunt and fish in the Columbia River

Basin, and the court oversees harvest management in the basin. The fishery was managed under the Columbia River Fish Management Plan from 1988-1999, and negotiations for a new plan are in their fifth year, he said.

3. Independent Scientific Advisory Board report –

Brian Riddell, Gary Morishima and Susan Hanna, members of ISAB.

The Council posed a series of harvest-related questions to the ISAB, and we undertook a review of the scientific and institutional structure for harvest management to answer them, Dr. Gary Morishima explained. He pointed out that for three species considered – upriver bright fall chinook, coho, and B-Run steelhead, harvest has decreased since the 1980s: by 38 percent for coho, 67 percent for steelhead, and 44 percent and 71 percent for Priest Rapids and Snake River chinook, respectively.

As to the adequacy of the analytical tools for establishing future harvest, the ISAB found that CWTs have limitations, he reported. But using PIT-tags coastwide would take a major investment, Morishima concluded.

Dr. Brian Riddell of the ISAB painted a picture of “incredible complexity” in addressing the issue of harvest on Columbia River salmon. The life history of this highly migratory species is complex, but when you add to that the unstable environments in which it exists, the harvest management of Pacific salmon from the Columbia River is “one of the most challenging resource management tasks imaginable,” he explained.

In its analysis, the ISAB came down to three major issues of concern, Riddell said: a paucity of quantitative data for analysis by production units; very limited evidence of assessment analyses by production units to provide a biological basis for biological goals, trend analysis, and management objectives; and limited evidence of accounting for uncertainty in management plans.

4. Independent Economic Advisory Board report-

Hans Radtke, member of IEAB.

On the heels of the science report, Dr. Hans Radtke of the IEAB offered the results of an analysis of the economic effects of Columbia River Basin anadromous fish production. The IEAB was asked to assess the economic contribution of salmon and steelhead fishing to the region’s economy, he said. The analysis includes commercial, recreational, and tribal harvest and the utilization of hatchery surplus fish, Radtke explained. It does not measure the existence value or the religious or ceremonial value of salmonids, he added.

The bottom line is that fisheries contribute \$142 million in personal income annually to the regional economy, Radtke stated.

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.

Tom Karier gave the Power Committee report, noting that several of the issues discussed, including Bonneville's Power Function Review and a transmission issues and GridWest update, were also on the Council's agenda.

Rhonda Whiting reported on the Fish and Wildlife Committee meeting, noting there was considerable discussion on the Fiscal Year 2006 project selection process. We will likely need a Fish Four conference call for further discussion and to resolve the issues, she said.

Larry Cassidy reported on progress the Public Affairs Division is making on a video, tribal briefing book, and two brochures. He also recapped the harvest workshop for the three members who were unable to attend.

Jim Kempton reported on a trip he and Council chair Melinda Eden took to the annual meeting of the Columbia Basin Trust. He noted that both he and Eden spoke at the Trust meeting.

5. Briefing by the Bonneville Power Administration on the Power Function Review Final Report:

Paul Norman, Bonneville Power Administration.

Paul Norman of Bonneville briefed the Council on the outcome of Bonneville's Power Function Review (PFR). We're coming up on a Bonneville rate case, and program costs are one of the ingredients in setting rates, he explained. Our program budgets are "a given" in the rate case, so we conducted the PFR to have an appropriate airing of them, Norman said. The PFR started in January and went on for a period of months, during which there was a lot of participation around the region, he said.

6. Briefing on transmission issues including next steps to continue GridWest:

Terry Morlan, director, power division; and Wally Gibson, manager, system analysis and generation.

Staffer Wally Gibson began his briefing on transmission issues with an overview of "the physics" of the system and why it is so complex to control the flow of electricity. He illustrated the discrepancy between "contract" and actual paths when it comes to sending electrons from a generator to the intended recipient. While the contract flow follows a logical path, the actual or unscheduled flow may be quite different, Gibson explained.

He listed multiple problems with the commercial versus actual operation of the transmission system that have been identified in the Northwest:

- Difficulty in managing unscheduled electricity flows leading to increased reliability risks;
- Difficulty in reconciling available physical transmission capacity with that available on a contractual basis, which leads to inefficient use of transmission and generation capacity;

- Lack of clear responsibility and incentives for planning and implementing system expansion, resulting in inadequate transmission capacity;
- Inability to effectively monitor the wholesale electricity market, identify abuse, or provide mitigation and accountability; and
- Transmission and rate “pancaking,” which leads to inefficient use of generation.

Gibson pointed out that the proposed GridWest “footprint” goes beyond what we think of as the Northwest and covers the Northwest Power Pool area. On the GridWest borders are other western transmission organizations that are in various stages of development, with only the California ISO operational, he noted.

Gibson outlined several transmission-related decisions that are coming up in the region, including a September 29 decision about whether to go forward with seating a GridWest development board and a September 30 interim GridWest board decision on a two-year funding agreement

7. Presentation on example provincial objectives –

John Shurts, legal counsel; and Bruce Suzumoto, manager, special projects.

Staffer John Shurts said staff had prepared an example of the All-H Analyzer (AHA) output to share with the Council as it continues its discussions about developing and adopting biological objectives into the fish and wildlife program. The example, which was done for spring chinook and summer steelhead in the Cascade Province, shows you what the AHA results look like, he explained.

We have all kinds of activities going on in the subbasin plans, and the AHA is a way to aggregate everything and show what the activities would achieve at the province level, Shurts said. The AHA output points the way toward measures that could be undertaken to increase productivity at the province level, he added.

8. Council decision on Fiscal Year 2006 program implementation budget:

Doug Marker, director, fish and wildlife division; and Patty O’Toole, program implementation manager.

Staffer Patty O’Toole briefed the Council on staff recommendations for Fiscal Year 2006 fish and wildlife funding. The recommendations are based on some basic principles, she said, including no full solicitation for new projects, no new Independent Scientific Review Panel (ISRP) reviews, and no new starts or expansions of scope, except for the federal agencies’ Updated Proposed Action (UPA) to meet the BiOp. We also wanted to have a demonstration of a project’s consistency with the subbasin plans, according to O’Toole. The Bonneville budget for the fish and wildlife program is \$139 million, and to hit that level, we believe an appropriate planning target is \$160 million, she said.

9. Council decision on within-year project funding adjustments for implementation:

Mark Fritsch, manager, project implementation.

Staffer Mark Fritsch described proposed Fiscal Year 2005 funding adjustments for three fish and wildlife projects. One of the adjustments, the Hood River steelhead production program at \$140,000, is in the emergency category, he said. The other two requests, marking and monitoring techniques for fish at the corner collector at Bonneville Dam (\$200,000), and the Amazon Basin/Eugene Wetlands Phase 2 (\$19,745), are to protect project integrity, Fritsch said.

Eden asked why the project at Bonneville Dam could not be capitalized. Fritsch explained that despite the Council's request for capitalizing the project, it does not meet Bonneville's current capital criteria. It does not have a life expectancy of 15 years, which is one of the rules, he stated. Marker suggested some expenses, such as the Bonneville Dam marking and monitoring project, might be the responsibility of the Corps of Engineers. We should consider that possibility in this tight budget environment, he said.

This was a bad design, "and we are buying it again," Danielson said of the monitoring equipment at the Bonneville Dam collector. According to Maslin, the device is new and unlike ones used before. This is a research and development project – the prototype failed, but we learned from it, he said.

Kempton made a motion that the Council recommend three within-year project funding adjustments for Fiscal Year 2005 implementation as requested by Bonneville and recommended by the fish and wildlife Committee:

Project 1988-053-07 increased by \$140,000

Project 1983-319-00 increased by \$200,000

Project 1992-059-00 increased by \$19,745.

Cassidy seconded the motion, which passed on a 7 to 0 vote. Measure was absent for the vote.

10. Discussion of 2007-2009 project selection process –

Doug Marker; and Patty O'Toole.

O'Toole moved on to the design of project selection for Fiscal Year 2007-2009. We have been talking about bifurcating the Fiscal Year 2007-2009 project selection into two elements, she explained: a systemwide and a provincial review. These reviews could be done simultaneously, O'Toole said. We would solicit for projects in both areas at the same time and that would give us "the entire landscape" to consider, she said. We would try to wrap up the process within 18 months, according to Patty O'Toole.

11. Council business:

– Approval of minutes

Kempton made a motion that the Council approve for the signature of the Vice-Chair the minutes for the June 14-16 meeting held in Portland, Oregon. Cassidy seconded the motion, which passed on a 6 to 0 vote. Measure and Danielson were absent for the vote.

– Council decision on final Independent Scientific Review Panel appointment

Kempton made a motion that the Council appoint Dr. James Henny to the ISRP. Whiting seconded the motion, which passed on a 6 to 0 vote. Measure and Danielson were absent for the vote. Henny, who is with the U.S. Geological Survey, is an expert in wildlife and environmental toxicology, according to Marker. Dr. Henny will add an area of expertise that complements the other ISRP members, he added.

– Council decision to adopt Council budget for Fiscal Year 2007 and Fiscal Year 2006 revisions (Council document #2005-08).

The Council voted to adopt a draft Fiscal Year 2007 budget of \$9.08 million and a revised Fiscal Year 2006 budget of \$8.7 million. Staffer Sharon Ossmann explained that the Fiscal Year 2006 budget reflects the current budget agreement with Bonneville. The Council is still working with Bonneville to get a new agreement in place for the Fiscal Year 2007-2009 Bonneville rate period, she said.

Approved August 10, 2005

/s/ Jim Kempton

Vice-Chair