

W. Bill Booth  
Chair  
Idaho

James A. Yost  
Idaho

Tom Karier  
Washington

Dick Wallace  
Washington



Bruce A. Measure  
Vice-Chair  
Montana

Rhonda Whiting  
Montana

Melinda S. Eden  
Oregon

Joan M. Duker  
Oregon

## **Council Meeting Boise, ID**

**March 11-12, 2008**

### **Minutes**

Bill Booth called the meeting to order at 1:35 p.m. on March 11 and adjourned it at 11:15 a.m. on March 12. All members were present, except Melinda Eden who participated by telephone.

#### **Remarks by the Honorable C. L. "Butch" Otter, Governor of Idaho.**

Idaho Governor C. L. "Butch" Otter welcomed the Council and reported that his state's watersheds "are looking pretty good now." Statewide, we are at 127 percent of normal to fill our reservoirs, he said.

The Council plays a key role in balancing two vital resources: clean, reliable power and the environment with abundant fish and wildlife resources, Otter noted. He said he has issued an Executive Order asking each state agency to see how it can lessen its impact on the environment. As a result, the state is buying hybrid vehicles and doing more conservation, according to Otter.

Last year, I elevated our Department of Energy to a cabinet-level position, and I've asked our state to get 25 percent of our energy from renewables by 2025, he said. In Idaho, we encourage conservation -- we haven't found the need to mandate it, Otter told the Council. In 2007, Idaho Power exceeded the energy-savings goals in its Integrated Resource Plan by 53 percent, he reported.

Water is also important to us, and water goes to the heart of the Council's statutory mandate, Otter stated. I'm convinced we must act to develop increased water storage, he said. When I was in Congress, there was a study that showed we could put six to eight additional feet on top of each dam in our state and get larger reservoirs, rather than building new dams, Otter pointed out. We are looking at that idea and also at how we can recharge our aquifers, he said.

## **Reports from Fish and Wildlife, Power and Public Affairs committee chair:**

Rhonda Whiting chair, fish and wildlife committee; and Melinda Eden, chair, power committee; Dick Wallace, chair, public affairs.

Jim Yost, on behalf of Melinda Eden, reported the Power Committee discussed the final adequacy standards, but was unable to reach agreement on forwarding a recommendation to the full Council. He said the committee would likely make a recommendation at the next meeting. We agreed on the final version of the electricity price forecast paper and also discussed assumptions and inputs for the next Power Plan's preliminary resource analysis, Yost added.

Rhonda Whiting reported that the Fish and Wildlife Committee discussed adoption of macroinvertebrate protocols and heard an update on the status of the Snake River fall chinook transportation study, which she said is likely to move forward this summer. The committee also discussed the next project review process.

### **1. Council decision on adoption of final adequacy standards:**

Dr. Tom Karier, Washington state Council member; Paul Norman, Bonneville Power Administration.

This item was withdrawn

### **2. Council decision to release final electricity price forecast paper:**

Jeff King, senior resource analyst; Maury Galbraith, resource analyst.

Staffer Maury Galbraith said the final version of the interim wholesale power price forecast paper, which will supersede the price forecast of the Fifth Power Plan, is ready for release. This forecast will be updated as newer assumptions and data become available during the development of the Sixth Power Plan, he noted.

Measure moved that the Council release the final version of the Interim Wholesale Power Price Forecast paper, to supersede the Final Wholesale Power Price Forecast found in the Fifth Power Plan. Tom Karier seconded, and the motion passed.

### **3. Northwest Fisheries Science Center Presentation on Climate Research:**

John Ferguson, Bill Peterson, Rich Zabel and Tim Beechie, NOAA Fisheries Science Center; Jim Ruff, manager, mainstem passage and river operations.

John Ferguson led off a panel presentation by scientists from NOAA's Northwest Fisheries Science Center about research Bonneville has funded on the effects of climate variability on fisheries resources in the Northwest. We've looked at the ocean conditions salmon experienced in 2007 and how that is likely to affect what happens in 2008 and 2009, and what we see going on in the ocean is a climate issue, he stated.

Bill Peterson explained his research on salmon survival in the Northern California current based on juvenile sampling done off the coast at Newport, Oregon since 1998. The three factors most important for fish in the Northern California current, he said, are: the strength of coastal upwelling, the seasonal reversal of coastal currents, and the phase of the Pacific Decadal Oscillation (PDO).

Rich Zabel reported on his research on climate change effects on salmon in freshwater habitats in the Salmon River Basin. We found different responses in different fish populations to freshwater climate variability, he said. Fall flows are an important factor, and fish response is mediated by habitat conditions, Zabel stated.

Tim Beechie reported on his work in the John Day watershed that involves using beaver to restore incised streams. Beaver dams are a really easy way to restore streams to more natural conditions, and we found that reaches with beaver ponds have many, many more steelhead in them, he said.

Climate change will reduce summer flows, but this restoration work could counter those effects by increasing aquifer storage and reducing the need for irrigation, Beechie explained. Using beaver dams for restoration also increases sediment retention, floodplain connectivity, and summer flows, he said. All of these projects are part of our larger review of the toolbox of stream restoration activities to determine which will fare well by climate change and which will be made less effective by it, Beechie added.

#### **4. Presentation on Raft River geothermal project in Idaho:**

Doug Glaspey, U.S. Geothermal.

"We're a soft, chewy planet," there's a lot of heat at its center, and that's where geothermal energy comes from, said Doug Glaspey of U.S. Geothermal. The United States is the world's largest producer of geothermal power with 2,830 MW installed, but that still is only 0.37 percent of U.S. electricity consumption, he noted.

Nevada, California, Idaho, Utah, and Oregon are the states with the highest potential, he pointed out. With the opening of its Raft River plant, U.S. Geothermal has put Idaho on the list of geothermal-producing states, and we hope Oregon might be next, he said.

Development of the geothermal industry is being driven by federal tax credits, emissions-related credit trading, the adoption of renewable portfolio standards by states, and state tax policies, he said. Idaho gives renewable energy plants a 100 percent sales tax rebate, which for Raft River, amounts to \$1 million, Glaspey noted.

There's a tremendous potential for geothermal development in the West, he said. It's like solar energy -- if you could harness it all, there would be no need for fossil fuels in the future, according to Glaspey. We hope that our second plant will be at Neal Hot Springs in eastern Oregon, he said.

## **5. Council decision on the next project review process:**

Lynn Palensky, program planning and special projects coordinator; Mark Fritsch, manager, project implementation.

Staffer Lynn Palensky explained a proposed approach for reviewing the next round of fish and wildlife projects, noting that staff has developed 10 "overarching principles" to guide the process. Unlike previous years, the process will distinguish between different types of projects, specifically those with long-term funding commitments versus those with shorter-term implementation, she said. We have a core set of projects we fund on an ongoing basis, with some adjustments, and we see those as being on a different path than shorter-term projects, Palensky stated.

The process would include a categorical review for existing long-term projects that are similar in nature, such as wildlife, resident fish, or research, monitoring, and evaluation (RM&E) projects, she said. The categorical reviews would then inform and be integrated into a geographic review, according to Palensky.

The process would begin next month with the first category review of wildlife projects and continue for the next three years, she said. It would be structured to allow the Council to make changes as needed to accommodate regional priorities such as Bonneville's Endangered Species Act (ESA) requirements, Palensky noted. The Council could make funding allocation decisions at any time during the process, she said.

Booth asked for a summary of issues that need to be resolved. Palensky said: we need to lay out the key decision points for the Council; link the process back to the original 10 principles; and clarify how things will work along the way in more detail. Tom Iverson of the Columbia Basin Fish and Wildlife Authority (CBFWA) said he would take the proposal to CBFWA and ask project sponsors to comment on whether it seems feasible.

Dick and I will propose some amendments to the process, Karier stated. We think there should be some explicit budget allocations early on so we aren't voting on projects without budget information, he said. Is there a consensus that staff is on the right track? Booth asked. We don't want to go into this assuming any project is okay and will be funded, said Dukes. While there needs to be certainty on when funding decisions will be made, "divvying up the funding too soon makes me nervous," she added.

The breakout of categories and geographic review make sense, but I'm concerned about timing, said Brian Lipscomb of CBFWA. We need to look for a comprehensive understanding of the needs of implementing the new program and do that all at once, he stated.

Booth said he expects staff to provide additional detail at the next meeting so the Council can agree on the process. Then we can give you the green light to get started with category planning right away, he added.

## **6. Council decision on adoption of macroinvertebrate protocols:**

Peter Paquet, manager, wildlife and resident fish.

Staffer Peter Paquet said the Pacific Northwest Aquatic Monitoring Partnership (PNAMP) has requested that a new standardized protocol for the collection and analysis of macroinvertebrates in the wadeable streams of the Northwest be used by PNAMP partners that fund projects in the region. We sent the proposal out for comment and received none, he noted.

Measure moved that the Council recommend that Bonneville incorporate in future fish and wildlife Program implementation contracts, as appropriate, the macroinvertebrate protocols presented by staff and recommended by the fish and wildlife Committee. Karier seconded, and the motion passed.

## **7. Council decision to request ISRP review of project reporting metrics:**

Dr. Tom Karier, Washington state Council member.

Over the years, the Independent Scientific Review Panel (ISRP) has told us that most of the reporting from fish and wildlife projects is not adequate and that we are not getting the information we need, Karier said. We think we need more explicit guidance from the ISRP, he stated. We'd like the ISRP to tell us: which reporting metrics they want to see for fish and wildlife projects, whether the metrics can be prioritized, and if there is a useful distinction between "implementation metrics" to be required of all projects, and "effectiveness metrics," which would apply to a narrower set of more intensively monitored projects, Karier explained.

The Council could then test what the ISRP recommends about metrics with the fish and wildlife managers to see if they think collecting and reporting them is doable, he said. Ultimately, this should provide more clarity on what projects are supposed to collect and report, Karier added.

Noting concerns expressed by CBFWA, Rhonda Whiting said we need to be able to give more direction to project sponsors as we go through this process. I'm glad to hear this will be vetted with agencies and tribes, said Lipscomb. They are addressing this issue in various arenas, he added.

Booth said Karier has agreed to lead a team being assembled to work on RM&E strategy over the next six months. They will review all ongoing M&E efforts in the region to see if this work is being done as a system and whether it supports the Council's goals and objectives, he stated. They will also look at the large amount of spending that is occurring without having the project reporting we need, and this work will help the Council as it prepares its annual report to Congress on the Council's fish and wildlife program, Booth said.

Measure moved the Council request that the ISRP review the project reporting metrics presented by Council staff. Karier seconded, and the motion passed.

## **8. Update on Fish and Wildlife Program amendments:**

Patty O'Toole, program implementation manager; and Lynn Palensky, program planning and special projects coordinator.

Council staff presented a plan for dealing with the voluminous recommendations for amendments to the Council's fish and wildlife program expected to come in by the April 4 deadline. I think we will get over 4,000 pages of recommendations, staffer Tony Grover said.

From April through November, on the Tuesday before each Council meeting, the full Council would convene "to work through every aspect of the program amendments," he explained. These would be half or three-quarter day work sessions, open to the public, but with no opportunity for public statements or presentations, Grover said.

At the first work session on April 15 in Whitefish, we will sort through all the recommendations received, he stated. On May 13 in Walla Walla, we will talk about the three Biological Opinions scheduled to be issued that month and give you as much comprehensive information about them as we can, Grover told the Council.

Consultation is a significant part of the fish and wildlife program process, he said. After each work session, we propose that some time be set aside during which Council members can meet with stakeholders, fish and wildlife managers, and others, Grover stated.

Joan Dukes asked how long after April 4 it would take staff to assemble the recommendations so Council members can review them. The first thing we will do is inventory all the recommendations and post them on the website, replied staffer Patty O'Toole. That step is important to kick off the 60-day public comment period in which people will be able to comment on the recommendations, she said. Then we'll organize the recommendations so we can work with the Council on them, O'Toole stated. We may organize the recommendations by issue, she added.

Tom Karier asked whether staff intends to gear the work sessions to higher-level policy issues, given that there are already subbasin plans with hundreds of pages of details. We are looking for guidance on that, replied Grover. I think the program becomes less flexible and more unwieldy if there is too much detail, but some interests may want to see even more detail in the program, he added. I think we have to wait and see what comes in and then decide on a level of specificity, said Council chairman Bill Booth.

O'Toole presented a public hearing schedule that would commence after the Council releases a draft fish and wildlife program in mid-August. The hearings would start September 16 in Astoria and finish up October 15 in Missoula.

## **9. Update on water runoff forecast:**

Jim Ruff, manager, mainstem passage and river operations.

Staffer Jim Ruff reported the "good news" that the March final water supply forecast shows improvements in streamflows in most areas of the basin. The water supply forecast for the Columbia River at The Dalles is now 101 percent of average, or near normal, he said. The lowest runoff is expected to occur with inflows to Brownlee at only 87 percent of normal, which is 4 percent higher than last month's forecast, Ruff noted.

NOAA's Climate Prediction Center says that moderate La Nina conditions will persist from March through May, to be followed by weaker La Nina conditions over the summer and fall, he reported.

So there will be much more water, and hydropower production will increase, commented Karier. But there's not necessarily the expectation that the higher flows will be great for fish and juvenile survival, he stated. We are looking at average runoff overall, and temperature is key for Snake River fish in the summer, said Ruff. The good water should help the survival of Snake River migrants and some upriver fish, but you are right -- it's hard to say that high flows mean a good year for survival, he told Karier.

So the importance of a good or bad water year is ambiguous for fish survival? Karier asked. We are not doing active flow augmentation in the way we operate the system now, which is a reflection of that, replied Ruff.

## **10. Council business:**

### **– Approve letter to Bonneville on effectiveness of fish and wildlife program**

The Northwest Power Act contains a legal requirement for the Council to report to Congress on the effectiveness of the fish and wildlife program, Karier said. With the Pisces system, we have more information on fish and wildlife projects than we've had in the past and that will help us in preparing the report, he stated.

Karier recommended the Council write to Bonneville asking the agency to provide information it has collected relating to the effectiveness of the program and provide it by September 1, 2008. Our sending the letter will make sure Bonneville is a partner in developing the report, he said.

Measure moved the Council approve the letter to Bonneville requesting information on the effectiveness of the fish and wildlife program. Wallace seconded, and the motion passed.

### **– Adoption of minutes**

Measure moved to approve the minutes for the February 12-13, 2008 Council meeting held in Portland, Oregon. Whiting seconded, and the motion passed.

Approved April 16, 2008

/s/ Bruce Measure

Vice-Chair