

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 Whitefish, Montana

April 15-16, 2008

Minutes

Bruce Measure made a motion that the Council meet, at the call of the Chair, in executive session to discuss participation in civil litigation. Tom Karier seconded the motion, which passed unanimously on a roll call vote.

1. Council Work session on Columbia River Basin Fish and Wildlife Program amendments

The Council kicked off its first work session on proposals to amend the Columbia River Basin fish and wildlife program with encouragement from staffer Tony Grover to “take the process by the horns and direct it.” Staff is your resource for the process, so tell us what you need, he said. Grover announced that Patty O’Toole is the “content lead” and Lynn Palensky is the “process lead” for the program amendments.

O’Toole said the Council received 65 sets of recommendations, which contained “a lot of good material.” The submissions came from a representative group of interests in the region, including 14 tribes, one tribal coordinating entity, four states, and eight federal agencies, with the remainder from local and other government and non-government organizations, businesses, and individuals, she reported. The submissions totaled over 3,700 pages, not including reference materials, and all have been posted on our website, according to O’Toole, who noted that the public can submit comments on the recommendations via the site. The comment period is open until June 12, she said.

The recommendations cover a broad range of issues, and staff prepared a table with a very brief summary of each submission, O’Toole explained. Among the issues, she listed the following:

- Federal Columbia River Power System (FCRPS) Biological Opinion (BiOp) and how to address it in the fish and wildlife program
- Memorandums of Agreement (MOAs) between federal agencies and the tribes and how they relate
- Recovery plans and whether to incorporate them
- Implementation plans for parts of the program not covered by the BiOp or draft MOAs
- Project selection and independent science reviews
- Biological objectives and the monitoring and evaluation framework
- Invasive species, climate change, and toxics – relatively new topics for the program.

O’Toole pointed out that BiOps on the FCRPS, Upper Snake, and harvest will be coming out in May, and the Willamette BiOp will be issued later this summer. We will need to delve into them and see how they fit with the Council’s fish and wildlife program, she said. The Hatchery Scientific Work Group will also be winding up its work this year, and we have recommendations that would bring this work into the program, O’Toole said.

The schedule calls for the Council to release a draft program in August and then hold a series of public hearings, she explained. Comment on the draft would be open through October 17, after which the program would be finalized and readied for Council adoption in December, O’Toole said.

Grover pointed out two fundamental issues: should the program address funding and what level of detail should be in the program amendments. The current program is not uniform in terms of the detail – we have a high-level approach in some areas, and others have exhaustive detail, he said.

It makes sense for the next meeting to identify the areas of the program where there is no interest in change and the areas where there is significant interest in change, Booth said. We need to set the stage so we are prepared for a full-day work session and “to start crunching through things”

There are three areas in which I’d like to see “a rough cut” in May, Jim Yost said: toxics, in terms of how they relate to the Clean Water Act, the work of state water quality agencies, and where these recommendations would fit into our program; invasive species, in terms of the relationship to each state’s invasive species plan and what such a provision would look like in our program; and climate change and population growth, to help us get an idea of what’s available in these areas.

Karier said he too had three topics at which the Council could take an early look: project selection, MOAs, and subbasin plans.

The Council invited a number of entities to give an overview of the fish and wildlife program amendment proposals they submitted. The following are highlights from the 10 panels that made presentations.

State and Tribal MOAs: Greg Delwiche of Bonneville led off a presentation on the recently announced MOAs with tribes, representatives of which joined Delwiche on the panel: Paul Ward, Yakama Nation; Gary James, Confederated Tribes of the Umatilla Indian Reservation; John Ogan, Confederated Tribes of the Warm Springs Reservation; and Rob Lothrop, Columbia River Inter-Tribal Fish Commission (CRITFC).

Delwiche said the MOAs signal “a new era in partnership and cooperation” and are the outcome of a collaboration ordered by the federal court overseeing litigation on the FCRPS BiOp. He noted that the MOA partners included three downriver tribes, one upper river tribe, and the states of Idaho and Montana. Judge Redden is interested in measures that are reasonably certain to occur, and the MOAs add that assurance, Delwiche said. The negotiating team endeavored to satisfy the requirements of the BiOp and the Northwest Power Act, he added.

CBFWA: Brian Marotz of the Montana Department of Fish, Wildlife and Parks said the Columbia Basin Fish and Wildlife Authority’s (CBFWA’s) comprehensive set of recommendations represents consensus among 16 fish and wildlife management agencies. Claude Broncho of the Shoshone Bannock Tribes, Wanda Johnson of the Burns Paiute, Lynn DuCharme of the Salish Kootenai, Dave Statler of the Nez Perce, and Paul Kline of the Idaho Department of Fish and Game reiterated that the document represents a consensus among many sovereigns and took hundreds of hours of work and deliberations to complete. James of the Umatilla Tribes said the CBFWA submittal provides the Council with “a lot of good work.” It highlights adaptive management and links population status with biological and programmatic objectives, he said. It consolidates information from a number of plans, including subbasin and recovery plans, and puts it into a common language, James added. Bill Tweit of the Washington Department of Fish and Wildlife reiterated the links CBFWA has provided from the species status to the objectives and the gap that exists between the two. We want to urge you to define the gap in a measurable way so we can report back on how far we’ve come, he said, adding that the CBFWA work will contribute to the Council’s ability to put out targeted solicitations for projects.

Idaho: Kline described the State of Idaho’s individual submission and listed a number of areas within the state’s package of recommendations that specify where more funding is needed. These include data collection for resident and anadromous fish, habitat protection, hatchery expansion, establishing a genetic database, wildlife mitigation, and addressing aquatic nuisance species.

Oregon: Tom Rein of the Oregon Department of Fish and Wildlife said Oregon’s recommendations stem from subbasin and recovery team plans, as well as Oregon’s plan for salmon and watersheds. They are consistent with CBFWA’s recommendations, he said. Oregon focused on research, monitoring, and evaluation (RME) in six areas, Rein explained, describing the need for 1.5 million additional PIT-tags to support an RME effort. Oregon is looking for further assessment in the John Day subbasin, additional monitoring of the white sturgeon population, and more measures to address wildlife loss, including a new assessment of habitat loss due to hydro system construction and inundation, he said.

Washington: Bob Nichols of the Governor’s office said Washington would like to see more effective ways to measure progress in terms of biological and management success. We would like to see the Council strengthen its annual report to the governors and enlarge the scope beyond

expenditures to include biological information, he suggested. Washington's salmon recovery office was represented by Phil Miller, who stressed the importance of using salmon recovery plans that have been drawn up in the region and assuring that the Council's program is consistent with what's in those plans.

Kalispel Tribe: Ray Entz explained that the tribe has proposed a funding strategy, supports the resident fish substitution policy, and laid out the need for a capital funding plan. He said the tribe addressed regional data management, which debunks the need for a centralized data bank.

Nez Perce Tribe: Dave Statler said the Nez Perce tribe proposes implementation of the subbasin plans for the next 10 years. He said the proposed amendments address how suggested fish and wildlife measures are consistent with the Council's program through the subbasin plans.

Utility Customers: Mark Johnson of Flathead Electric, Dan James of PNGC Power, and Bo Downen of the Public Power Council outlined the customers' proposed amendments. James said the customers' proposal comes from "the entities that pay for the Council's program" and represents a broad cross-section of power and river users in all corners of the Columbia River Basin. He emphasized the need for a science-based program.

Downen listed the following five principles that underlie the customers' proposed amendments:

- Address only hydropower impacts – the Council's fish and wildlife program has gone beyond the scope laid out in the Northwest Power Act and should be refocused.
- Provide guiding principles and avoid prescriptive projects – the Council's program should have flexibility and leeway for the Council to respond to new information.
- Complement other regional programs – the Council is in a position to look at the region as a whole in developing its program and to be complementary, rather than counter-productive or duplicative of other efforts.
- Prioritize projects that benefit fish and wildlife and partner with others – the Council should steer three-quarters of its funding toward on-the-ground work and strive to share costs with others.
- Provide an ecologically based framework that creates clear priorities – the Council program could identify the highest priorities and solicit projects to fulfill them.

Johnson said the Flathead Electric board realizes the need to have a framework for the plan and a way to measure results. He pointed to the Council's bylaws and the reference to "policy leadership" in urging a focus on policy and principles in the program and away from specific projects.

Bonneville: Greg Delwiche encouraged the Council to be realistic in formulating its program and "to work with the basin we have." We can't bring the basin back to its 1803 status, he said. Delwiche also noted that the region's independent science bodies, including the Independent Scientific Review Panel (ISRP), have expressed concern about abundance-based mitigation objectives.

Under the Power Act, Bonneville funding should address the impacts of the FCRPS *only*, he went on, and go primarily toward on-the-ground efforts. The Council's program should gear

toward collaboration with others, Delwiche said. The obligation for off-site mitigation should be shared with others who created the need, and it should embrace potential new partners, including government agencies and foundations that want to be part of the effort, he added. The program should take into account requirements from other entities, such as FERC licensing, that can be complementary, Delwiche said.

2. Presentation on opportunities for conservation and renewable energy generation in the Flathead Electric service area:

Ross Holter, Director of Energy Services, Flathead Electric Cooperative. (Box lunches will be provided for the Council Members)

Ross Holter, Flathead Electric Cooperative's (FEC's) director of energy services, briefed the Council on the co-op's renewable energy and conservation program. While technically exempt from Montana's renewable portfolio standard (RPS) law, FEC has launched a substantial effort to pursue and implement the legislature's intent with Senate Bill 415, he said.

The crux of FEC's program, according to Holter, is a mandate adopted by the co-op's board to "pursue and implement Montana's renewable portfolio standard in a responsible manner" and to "maintain existing, and pursue and implement additional energy conservation programs in a responsible manner." For conservation, that means offering a number of options, from programs to promote Energy Star appliances, energy-efficient electric water heaters, and compact fluorescent lights to commercial lighting programs, Energy Smart Grocer, and customized measures with industrial customers, he explained. We look at anything legitimate that companies want to pursue in energy efficiency, Holter added.

Steve Hamilton of SCS Energy described the feasibility study his company conducted for a generating project at the Flathead County landfill. He explained that as landfill waste decomposes, it generates gas that is about 50 percent methane. Methane can be used as a fuel source to generate power, Hamilton said.

The landfill currently has a partial extraction system for gas and a blower/flare station, he explained. FEC has secured \$3.5 million in CREBs financing for the power project, and the county is interested in working with the co-op to develop a project at the site, Hamilton said.

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

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

Rhonda Whiting reported that the Fish and Wildlife Committee held its quarterly review of within-year fish and wildlife project funding adjustments. We also talked about the Budget Oversight Group (BOG) budget tracking process and the need to make some modifications to that process, she said. The Committee discussed wildlife O&M issues and decided not to approve a draft letter to Bonneville about them until more discussions with wildlife managers can be held, Whiting stated. We also decided to hold a special meeting to explore issues associated with the proposed fish and wildlife project review process in more detail, she added.

Melinda Eden reported that the Power Committee approved a proposed charter for a Generating Resources Advisory Committee and the proposed resource adequacy standard. We received an update on the “rat’s nest” of issues connected to the Regional Dialogue, she said. The committee discussed data needs for the models for the Sixth Power Plan and financial assumptions for the plan, with staff recommending the use of a 5 percent discount rate, Eden stated. We also talked about regional actions that could reduce CO₂ production and will put a paper out on that next month, she said.

Dick Wallace reported that the Public Affairs Committee viewed a draft of the Council’s new renewable energy video and discussed an exhibit on fish and wildlife at Bonneville Dam to be installed at OMSI. We talked about Council members going to Washington, D.C. to meet with Congressional offices about the fish and wildlife project review process the week of July 23, he said. Wallace also pointed out that plans are under way to host a visit by Congressional staff to the Northwest.

3. Council decision on adoption of resource adequacy standards:

John Fazio, senior power systems analyst; and Terry Morlan, director, power division.

Tom Karier said the Council, Bonneville, and others have worked for over two years to devise a resource adequacy standard that can serve as an early warning system to alert the region when resource development drops to dangerously low levels relative to demand. Staffer John Fazio explained how the Pacific Northwest Resource Adequacy Forum was created, how it developed the standard, and modifications made to the draft proposal as a result of comments received. The biggest change, he said, was changing the word “target” to “threshold.”

The standard addresses both energy and capacity and has three appendices, according to Fazio. One deals with current assumptions, the second explains implementation, and the third summarizes the standard and process used to develop it “in clear English,” he noted.

Karier moved to approve the resource adequacy standard. Eden seconded, and the motion passed unanimously.

4. Council decision on project review process:

Lynn Palensky, program planning and special projects coordinator; Mark Fritsch, manager, project implementation; and Tony Grover, director, fish and wildlife division.

Palensky presented a proposal, approved by the Fish and Wildlife Committee, that the fish and wildlife project review process begin with a categorical review of wildlife projects, starting this month. She explained that the wildlife effort would include five steps, and that subsequent categorical reviews would follow that pattern.

The first step is planning and deciding things such as who needs to be involved in the reviews, and identifying cross-cutting issues from past project reports, Palensky said. That would take about one and one-half months, and then step 2 would commence, in which project sponsors would submit reports and information, she explained.

The third step would be ISRP review of the categorical projects, and the fourth would be joint development, with Bonneville, of recommendations about funding the projects, according to Palensky. The fifth and final step would be Council decisions about projects, she said.

After the wildlife projects are done, the next categorical review would deal with research, M&E, data management, and other systemwide projects, including habitat, ocean, harvest, hydro system, and artificial production, Palensky stated.

Rhonda Whiting said the one piece of the process the Fish and Wildlife Committee had “given the green light to” was the review of wildlife projects. Booth asked how the remaining questions and issues about the process would get resolved. The Fish and Wildlife Committee will hold a special meeting in late April or early May to work on them, and we hope to bring more recommendations to the Council at the May meeting, Whiting said.

Measure made a motion that the Council direct the staff to initiate the planning phase for categorical review of wildlife projects as described by the project review process presented by staff and recommended by the Fish and Wildlife Committee. Whiting seconded the motion, which was approved unanimously.

5. Council decision on Fish and Wildlife Program Budget Tracking Process (Spring 2008 modification of BOG):

Mark Fritsch.

Deferred to the May Council Meeting.

6. Council Business:

– Approval of charter for a Generating Resources Advisory Committee

Eden explained that the Generating Resources Advisory Committee would be asked to review data and assumptions proposed for use in the Sixth Power Plan. Staff will soon bring recommendations to the committee and Council on members for the advisory committee, she noted.

Measure moved that the Council authorize the creation, and approve the charter of a Generating Resources Advisory Committee; and appoint Jeff King as chair of the committee and Maury Galbraith as vice chair. Eden seconded, and the motion passed unanimously.

– Approval of release of Council’s draft budget for public comment

Staffer Sharon Ossmann said staff recommends the Council approve the release of its draft FY 2010 budget and revised FY 2009 budget for public comment. She noted that the Council is in the third year of a budget agreement with Bonneville to hold the Council’s budget ceiling within certain levels and that the revised FY 2009 budget at \$9,467,000 reflects that agreement. The proposed FY 2010 budget of \$9,683,000 is a 2.3 percent increase over the FY 2009 budget, Ossmann noted. The public comment period on the budgets would extend until June 30, with the goal to adopt the budgets at the Council’s July meeting, she said.

Measure moved that the Council release for public comment the Fiscal Year 2010 Budget and the Fiscal Year 2009 Revised Budget and direct staff to give notice of the opportunity to comment through June 30, 2008. Wallace seconded, and the motion passed unanimously.

– **Approval of appointment of new member to the Fish Passage Center Oversight Board (tentative)**

This item was withdrawn from the agenda.

– **Approval of minutes**

Measure moved to approve the minutes for the March 11-12, 2008 Council meeting held in Boise, Idaho. Eden seconded, and the motion passed unanimously.

The meeting adjourned at 1:45 pm.

Approved May _____, 2008

Vice-Chair

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