



## **NORTHWEST POWER AND CONSERVATION COUNCIL August 11-12, 2009**

Meeting in Spokane, the Council pulled back from releasing the draft Sixth Power Plan on a 4-4 vote. Citing "premature" news articles about the draft, Idaho and Montana members said more work needs to be done on issues like costs to consumers, dam removal, and conservation. Oregon and Washington members argued it is time to give the public a chance to weigh in on what the Council has put together. An Idaho legislator warned if invasive mussels reach Northwest waters, they could wipe out the benefits from all the region's salmon mitigation investments. Next Meeting: September 9 in Astoria, Oregon.

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### **THE AGENDA**

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#### **Draft Power Plan Does Not Pass Go**



The Council's work session on the draft power plan began with a preview of the slide show to be used at the start of each public hearing on the plan. Staffer Terry Morlan went over the power point presentation, which says the plan "in a nutshell" is: aggressive conservation; renewable generation to meet Renewable Portfolio Standard (RPS) requirements; additional energy, capacity, and flexibility needs provided by natural gas-fired generation; and taking advantage of cost-

effective, small-scale local renewable and cogeneration opportunities.

He summed up the five-year action plan by saying it calls for developing 1,200 average megawatts (MWa) of conservation by 2014, with a target range of 1,100 to 1,400 MWa and a midpoint evaluation of progress. The action plan, according to Morlan, also calls for developing cost-effective new generation if needed for energy, firm capacity, or flexibility "as warranted by individual utility situations," and improving power system operation and the ability to integrate wind generation. It also seeks to demonstrate promising new technologies for

improved efficiency, demand response, and generation, he noted.

Staffer Mark Walker presented the latest version of the "vision" for the plan, and Council members suggested editorial changes and some rewriting. Council chair Bill Booth recommended the description of the Council's mission to ensure the region an adequate, efficient, economical, and reliable power supply be moved to the top of the vision statement, and the Council agreed.

Booth suggested the plan include BPA's estimate that replacing lost hydropower capability and funding direct fish and wildlife (F&W) program expenditures have increased its costs by \$750 million to \$900 million per year. Joan Dukes said she liked the language without those numbers and noted that foregone revenue is a very controversial issue. People might think that putting in a dollar amount could equate to meeting the needs of the Power Act when it doesn't, she stated. Dick Wallace said he was okay with inserting the numbers, but that the plan needs to point out the numbers came from BPA and explain the reason for using a range.

Morlan said staff could "polish up" the appendices to the plan and make them available on line, or the draft could go out without the appendices. The appendices aren't something the Power Committee goes through with a fine-toothed comb – they are technical data, said Melinda Eden. She recommended posting them on the Web site, and the Council agreed.

Morlan presented a draft of the cover letter that would accompany the plan, noting it flags several items the Council would especially like comments on, including uncertain carbon-control policies, renewable energy, the need for capacity to meet peak loads, the need for flexible generation to help integrate wind power, and demand-management opportunities through the smart grid. He asked for additions to the list. I'd

like to add conservation goals and the Model Conservation Standards, Booth said.

Eden suggested putting in an item on cost comparisons and explaining how they are reflected in a "base case" that represents current policies, given that the four states differ in policies such as the RPS. Jim Yost suggested the list include costs to consumers.

#### Premature News Break-Out

At the continuation of the work session on Wednesday morning, Morlan presented a revised version of the vision statement. This needs some additional work, and frankly, we have to be very, very careful about what we include in the draft document, said Booth. Yesterday we saw some "premature information" about the plan in the press, he stated. People could look at that and forget the information is based on a draft, Booth said.

It's not just the vision statement I have concerns about, he continued. Before we release a draft, we better make sure the entire document is pretty close to what we can live with, Booth said. The vision doesn't address dam removal, which is an important issue in my state, he added. We don't want to rush something out prematurely, Booth said.

We've been showing power points in public meetings for months now, but the public has had limited time to comment, stated Dukes. Instead of us chewing on it, I'm anxious to hear from the people who work with this, she said. A draft means "subject to change" – the public is waiting for the opportunity to comment, and I'd like to give it to them, Dukes added.

If we delay, there is additional work that could be done to clarify some of the issues, and I'd commit to help doing that, said Yost.

It's unfortunate about the premature release of some of this information, but it's evidence of the level of interest in the region, stated Tom Karier. The best thing is to get the plan out – it's in very good shape, he said.

I am concerned about the failure to conform the appendices to the draft document, Bruce Measure said. I'm also confused about the disparity between what I read in the article in the *Spokesman-Review* and what's in the plan, he stated. Measure cited the way electric vehicles were addressed and representation of the Snake River dam issue and whether those projects could be replaced "with a few gas plants." There's more to it than that, he said.

"There's a clear, bright line" between putting something out that is premature and putting out something that has been worked on, said Wallace. A lot of excellent work has gone into this plan, he added. There's a downside we could signal today, which would be tightening this up so much that public involvement loses its ability to have an impact, according to Wallace.

The Council's third charge is meaningful public involvement, he continued. I want to have meaningful public involvement and not have it look like this is "a done deal," Wallace said. Delaying doesn't limit public involvement, stated Rhonda Whiting.

With respect to the Snake River dam issue, the plan does address the technical costs, risks to the power system, and additional carbon emissions that would likely occur, Karier noted. Unfortunately, the *Associated Press* news story didn't cover all that, he said.

With respect to the appendices, in the entire history of the Council, the appendices "haven't been buttoned-down documents" until the plan is completed, stated Eden. She pointed out that neither the Council's F&W program nor the power plan advocate dam removal. As for the

conservation analysis, it has been worked on for a couple of years, Eden pointed out. There could be further discussion, but I don't think the numbers are going to change, she said.

Eden recommended releasing the draft and "finding out what people have to say" about it. We will be able to go out and discuss these issues with people and then come back and put together a final product, she said.

I don't agree with the "information department" of the Council on what the plan's vision is, stated Yost. We need to discuss that, and we need to go through the appendices to see what's in there, he added. I'd also like to look at the Snake River dam issue before the public hearings take place because I'll be at them supporting the plan, Yost said.

#### Call for a Vote

Booth called for a motion to release the plan for public comment. Eden made a motion to do so, and Karier seconded.

Morlan went over revisions to the plan staff had made overnight. Yost commented that one of the messages in the plan is that electricity prices are going to go up and that people are going to have to do more conservation to keep their monthly bills down. We are forcing them to do conservation, and that's okay if that's what we want them to do, he said. We need to say in the plan that if consumers do conservation, their monthly bills won't increase, but if they don't, bills will increase, Yost stated. Customers have a right to know about this, and it isn't very clear in the plan, he added.

If we don't do conservation and have to build other resources, that would be very expensive, and that may not come out clearly in the plan either, said Morlan.

Dukes asked about the inclusion of advanced nuclear energy in the future resources section of the plan. Until we settle the issue of nuclear waste disposal, I'm hesitant to consider nuclear power a future resource, she said.

Eden asked staff to discuss the plan's conservation estimates for years 6 through 20. Staffer Tom Eckman described how the plan's conservation numbers were developed in concert with the Regional Technical Forum and other groups. Our numbers were peer-reviewed by everyone interested in this in the region, he stated.

This is the first time we've "had our homework reviewed" at that level of detail, Eckman said. As for costs to the consumer from conservation, it's clear that consumers will be participating in many conservation programs without knowing it because of changes in standards and codes, he explained. On the commercial and industrial side, there's more of a choice, Eckman noted.

You are predicting a lot of conservation will happen in the future compared with what happened in the last two decades, said Booth. Some of that success was bolstered by the increase in the use of compact fluorescent light bulbs, he stated. I'd like to validate the large increase in conservation called for in the plan, Booth said.

The conservation increases are predicted because we've discovered "a bunch of new measures" beyond CFLs that weren't available before, for example, in the industrial sector and for appliances like TVs, said staffer Charlie Grist. We are gearing up to take advantage of the new measures, and all of the region's utilities have projects "targeted at this stuff," he added.

We have spent an inordinate amount of time on conservation for the first five years, but I don't believe we've had a similar effort for the latter 15 years, said Booth. People are looking at the full

20 years and seem to want to "make proclamations" about that, he stated. I'm not comfortable that this issue has been fully vetted, both on the conservation side and on the load side, Booth said.

I like the conservation portion of the program for the first five years, Measure said. There was a lot of work done to accommodate the needs of rural and small utilities, but I remain concerned about the economic implications of the conservation program for those utilities, he added.

The out-year conservation proposals in the plan are going to be very nebulous and may change drastically, and I'm not as afraid of them as others may be, Measure continued. But I don't think the plan is ready to go out, he said, adding that while he would vote against releasing it, he hoped it could go out before the September meeting.

After the first five years, the conservation targets will be less certain, commented Karier. That's one of the advantages of doing a new plan every five years, he said.

The motion to release the plan failed on a roll-call vote. Karier, Wallace, Eden, and Dukes voted yes. Booth, Yost, Measure, and Whiting voted no.

I have a list of issues to be resolved, and I'm ready to work to do that, said Booth, after the vote. Our process hasn't worked well, said Dukes. The Power Committee has dealt with these issues, and I thought things were fine – now we have a new list of problems, she stated.

I suggest we get back together in two weeks and try to resolve this, Dukes told the Council, reminding them the meeting in September is a one-day meeting. I'll work as hard as I need to to get this done, said Booth. I support having a special meeting between now and our September meeting, Wallace stated. We'll check schedules

and figure out how to meet either in person or by phone, Booth said.

### **Who Will Pay to Repel the Mussels?**



Staffer Jim Ruff kicked off a presentation on efforts to control invasive mussels in the West, which he said follows up on the briefing the Council received from Bureau of Reclamation representatives last month. He said zebra and quagga mussels have not been eliminated from any of the large bodies of waters in the East, Midwest, or Southwest and that mussel densities have been recorded as high as 700,000 per square meter.

These mussels are getting closer and closer to the Pacific Northwest, and we ought to take some actions to prevent their spread, Ruff advised. Mussels can disrupt the entire food web and concentrate toxins in the environment, and they can clog intake pipes and distribution networks for municipal, agricultural, and power plant water supplies, he said.

Invasive mussels would have a significant cost to the region's ratepayers and impact regional F&W restoration efforts, according to Ruff. Mussels would affect the hydropower production of all our hydro plants, he noted. At dams, they can cause flow restrictions, head loss, and turbine inefficiencies, Ruff said.

He detailed new control efforts under way, including the development of the Q/Z Mussel Action Plan (QZAP) for the western states. Ruff said Reclamation is monitoring for mussels at 27 reservoirs in the Northwest and evaluating different boat-cleaning methods to prevent mussel spread. He urged the Council to support funding for a variety of federal agency efforts to control mussels.

Ruff reported that in 2009, the Corps of Engineers is monitoring only at Bonneville, The Dalles, and John Day dams. The Corps understands the need to increase monitoring, but says it "lacks authority," he noted. The Council should support funds in the Corps' budget to enable it to do mitigation planning for mussels at all its hydro projects and fish facilities in the Columbia River Basin, Ruff said. The Council should also encourage regional utilities to use the QZAP as the region's common plan for mussels, he added.

Booth suggested Ruff provide the Council a list of actions to support in various policy arenas. Eden asked how mussels are killed when boats are washed. The hot water kills them, replied Ruff.

### A Biological Wildfire

Eric Anderson, a state representative from Priest Lake, Idaho, told the Council, "if there were raging wildfires in the states to the south of the Northwest, federal and state governments would take action." This is a "biological wildfire," and it could be something that we can't see until it is too late, he stated.

Anderson urged the Council to support Idaho Governor Otter's letter to the Dept. of Interior asking for the U.S. Fish and Wildlife Service to take action to prevent the entry of mussels into the Northwest. The Interior Secretary has said it is too expensive, Anderson reported.

Every television program and newspaper should have headlines about this situation, according to Anderson. All the fish mitigation we've done all these years is being threatened, he said. You need to go to your governors and tell them we are not doing enough, Anderson advised.

Montana is the headwater of the region, and we have to start there to stop this, he said. Everything we are doing for salmon mitigation is

going to be for naught if these mussels come into the Northwest, Anderson stated. They will out-compete everything in the ecosystem, he said.

We need to take a hard look at what we can do to help, stated Booth. This is a huge threat to the dams, said Dukes. Why would the Corps say it lacks authority when it has authority to do maintenance on its dams? she asked. The Corps is having difficulty getting this as a line item in its budget because the mussels are not a problem here yet, replied Ruff.



### **Colvilles Succeed at Being Selective in Fishing**

Joe Peone, F&W director for the Colville Tribes, updated the Council on results from the second year of the Tribes' three-year selective harvest study, which is evaluating fishing gear for the live capture of salmon for mark-selective harvest. Our first priority is to separate out the impacts on species listed under the Endangered Species Act (ESA), he noted. Biologist Keith Kutchins said the work is part of the research conducted for the Chief Joseph hatchery. The plan is to release 2 million summer chinook and 900,000 spring chinook starting in 2011, and the adipose fins of the fish will be removed to identify the fish for harvest, he explained.

Kutchins described the harvest agreement the tribes have with the state of Washington, noting it is the first salmon harvest agreement between Washington and a tribe ratified outside a court proceeding. He said the objectives of the selective harvest research include integrating traditional and modern fishing gear, harvesting hatchery-origin fish for tribal use, reducing the spawning of hatchery-origin fish in the wild, releasing natural-origin fish unharmed, and preventing the future ESA listing of fish not listed now.

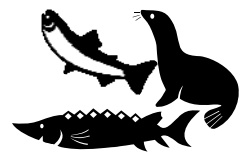
The Colvilles developed a study plan in 2007 to evaluate the efficacy of various live-capture fishing gear to harvest hatchery-origin chinook and protect natural-origin chinook, and promote the recovery of ESA-listed stocks, Kutchins told the Council. Among the gear being tested are tangle nets, beach seines, weirs, purse seines, and fishwheels, and they are being tested at various sites, he said.

Tangle nets, for example, are designed to tangle the fish in the mouth for easy removal without harming the fish, Kutchins explained. He said their 2008 research results show an overall 92 percent survival for summer chinook, using tangle nets, purse seines, and beach seines. As for 2009 results, we are getting 99.7 percent survival using purse seines for summer chinook – the purse seine operations have been phenomenal, Kutchins reported.

What you are finding with purse seining and summer chinook is impressive, said Karier. Recommending that other Council members pay this project a visit, he said "it's good to go there and see how little contact the fish have with the nets and the fishermen." You are finding a way through this problem, Karier told the panelists.

Are you able to meet your entire fishery goals through selective harvest? Booth asked. We are getting almost 90 percent through selective harvest, replied Peone. That is progress, said Booth. This is a great story to tell, added Wallace. Hatchery and harvest reform also have to take place to go along with efforts such as these, Peone noted. It's nice to see success, Whiting said.

### **Accord Dollars Go to Sea Lions, Sturgeon, Lamprey, and Trout**



The Council approved funding requests for five Columbia Basin Fish Accord projects. The first,

according to staffer Mark Fritsch, is for \$2,190,905 in expense funds for FY 2008 through 2017 for a project titled Sea Lion Non-Lethal Hazing, sponsored by the Columbia River Inter-Tribal Fish Commission (CRITFC). He noted that the Independent Scientific Review Panel (ISRP) had reviewed the project and found it "met scientific review criteria in part." Karier asked how BPA treats ISRP reviews for Accord projects. We are reviewing and monitoring these projects and working with BPA – the Council provides a check-and-balance for these projects, Whiting said. The Council approved the project.

Fritsch said the second project, Sturgeon Management, sponsored by the Yakama Nation, is for \$1,369,315 in expense funds for FY 2008 through 2017. The project's goal is to restore population abundance and fishery benefits for white sturgeon in mid-Columbia River reservoirs between Bonneville and Priest Rapids dams, he noted.

The ISRP found the project's first objective met scientific review criteria, but the remaining four objectives did not because they depend on development of a master plan, which is called for in the first objective, Fritsch reported. The F&W Committee recommends approving funds for objectives 1 and 2 of the project at this time, he said.

So the ISRP did not support objective 2, but we would support it in spite of that? Eden asked. Fritsch explained that objective 2 involves maturing captive sturgeon being held in a large pond, and staff thinks it is appropriate to carry out the objective, which is to continue to develop expertise and refine sturgeon culture methodology for spawning and rearing. The Yakamas want to use these fish as "guinea pigs," he stated.

Booth said the staff estimates the price of objective 2 to be about \$56,000. They have the fish and could use them for research, he added.

My expectation is this wouldn't go on ad infinitum – it's maybe a one-year deal, Booth said.

If the ISRP is objecting, it doesn't sound like this has been looked into thoroughly, Eden said. There are fish there as a legacy of past projects, and if we don't fund this research, we lose the opportunity to build on previous projects, Wallace stated.

Why doesn't the ISRP think objective 2 is a good idea? Eden asked. There wasn't a lot of explanation, replied Whiting. We are "figuring out a new dance" in how to deal with these Accord projects and whether we can stop them or not, she added. BPA did the Accords – it wasn't the Council that did them, so we are in a different arena, Whiting said.

The fish are there, and there's no sense wasting a short-term opportunity, Dukes said. Additional information will be forthcoming in the master plan, she added.

I'll vote no on this, said Eden. It's not that the Yakamas don't do a good job – they do, she stated. And it's not that sturgeon recovery is not important – it is, Eden said. But we are "at the top of a slippery slope" with these Accord projects, and I'm concerned about pushing them through without positive recommendations from the ISRP, she added.

The Council approved BPA funding for objectives 1 and 2 of the project. Eden voted no.

Fritsch said the third project, Willamette Falls Lamprey Escapement Estimate, sponsored by the Confederated Tribes of the Warm Springs Reservation, is for \$1,643,178 in expense funds for FY 2008 through 2017. The project's goal is to develop abundance and escapement estimates for adult Pacific lamprey at Willamette Falls, he noted.

The ISRP found objective 3 of the project met scientific criteria, but requested more information on objectives 1 and 2, Fritsch reported. The Council approved BPA funding for objective 3 of the project, but said full implementation would depend on ISRP review of the additional information requested.

Fritsch said the fourth project, Pacific Lamprey Passage Design, sponsored by CRITFC, is for \$6,298,848 in expense funds for FY 2008 through 2017. The project's goal is to carry out the objectives of the draft Tribal Pacific Lamprey Restoration Plan for the Columbia River Basin, he noted. The ISRP found the proposal too general to allow scientific review and recommended that only the objective associated with finalizing the lamprey restoration plan be funded, Fritsch reported. The Council approved BPA funding for that work, with future funding to depend on CRITFC addressing the ISRP's concerns.

Fritsch said the fifth project, Rufus Woods Redband Net Pens, sponsored by the Colville Tribes, is for \$2,019,879 in expense funds for FY 2010 through 2017. The project's goal is to raise redband rainbow trout in net pens in Lake Rufus Woods and reduce the need for raceway space and water at the Colville Tribal Hatchery by raising the trout broodstock off-site, he noted. The ISRP found the proposal met scientific review criteria, Fritsch reported, and the Council passed a motion approving it.

The Council also approved a Biological Opinion project for the development of an integrated strategy for chum salmon restoration in the tributaries below Bonneville Dam, sponsored by the Washington Dept. of Fish and Wildlife. The project requested \$496,372 for first-year activities. The ISRP found that four of the project's seven objectives met scientific review criteria, Fritsch reported. The Council passed a motion funding the objectives the ISRP approved,

with support for the remaining objectives to depend on future ISRP reviews.

## **END NOTES**

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**Wildlife Mitigation Fun Starts Now.** The Council approved a charter for the Wildlife Crediting Forum, a one-year effort to try to resolve long-standing issues related to the crediting of wildlife mitigation activities funded by BPA. Staffer Peter Paquet will chair this new advisory committee to the Council.

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### **Council 2009 Calendar**

September 9	Astoria, OR
October 7-9	Ketchum, ID
November 12-13	Teleconference
December 8-10	Portland, OR