



**NORTHWEST POWER AND CONSERVATION
 COUNCIL
 December 9-10, 2008**

Public utilities told the Council in Portland that BPA should restructure its conservation program and leave locals free to develop their own offerings. The hydro system gives up \$720 million annually, including 1,170 average megawatts of generation, for the Council’s fish and wildlife program, but it’s still adequate, efficient, economic, and reliable, according to a staff analysis. The gears are turning on studies to inform 2014 Canadian Treaty negotiations, and renewables advocates say “institutional” tools would help the region integrate wind. Next Meeting: January 13-15 in Missoula, MT.

IN THIS ISSUE

Publics Press for Conservation Autonomy.....	1
Power System, Minus 1,170 aMW, is AEERPS	4
In Treaty Time, 2014 is Just Around the Corner.....	4
New Balancing Act Needed for Wind.....	6
Long and Short of Willamette BiOp	8
Council Snags on F&W Implementation	9

THE AGENDA



**Publics Press for
 Conservation Autonomy**

Scott Corwin of the Public Power Council led off a panel of utility reps, telling the Council that BPA will start a process in January to explore its future role in conservation, and “we have been anxious to get into this topic.” He noted that PPC has released a discussion paper based on results of a survey conducted among its members.

Bob Pierce of Clearwater Power in Lewiston, Idaho told the Council that local utilities know what works for their members and what does not. Clearwater is a small, rural utility with a primarily residential load, and we have an average of three customers per mile of line, he said.

The culture in north central Idaho and perceptions about energy efficiency are drastically different from an urban area like Portland, Pierce said. “So one size does not fit all” when it comes to a conservation program, he stated. Pierce explained why the financial incentive in BPA’s program is not great enough to induce customers in

Clearwater's service territory to buy a high-efficiency heat pump.

BPA assumes customers are making a choice to upgrade their heat pump and that's the basis for the incentive, when in fact many Clearwater customers still have electric resistance heat, he said. We've only had 16 participants so the program isn't very successful, Pierce reported. The BPA incentive may work great in Portland, but not in our area, he stated.

Pierce also indicated that BPA's heating, ventilation, and air conditioning offering doesn't work in Clearwater's service territory because of all the administrative paperwork. The "Energy Star" program doesn't match up well with the way inspections are conducted locally, he added.

Pierce said 60 percent of Clearwater's conservation rate credit (CRC) savings through BPA can be attributed to compact fluorescent lights and low-flow showerheads. "But we ignore the long-term opportunities like Energy Star" because they don't work for our customers, he stated.

We are motivated to do energy efficiency, and with tiered rates on the horizon, we will be pursuing it, Pierce told the Council. But BPA's conservation acquisition agreements (CAA) and CRC programs should be removed, and local utilities should be able to do what works, he said. "We are not asking the Council to let us do less; the opposite is true. But our hands are tied by the BPA program," according to Pierce. Let us use our own rate dollars to meet the conservation targets, he summed up.

Manager Steve Klein said the strategy at Snohomish PUD is to pursue renewables, including wind, geothermal, and tidal, as well as conservation. We exceed our share of the

region's conservation target, "and energy efficiency is a fundamental part of our resource portfolio," he stated.

"Conservation has taken its rightful place with utilities across the region," Klein said. "It isn't a passing fad," he added. Any utility that is not doing energy efficiency is not paying attention, is not informed, or "has let bias cloud its thinking," according to Klein.

BPA's conservation program should be focused as "a backstop," not on meeting conservation goals, he stated. Those who are meeting the goals should not pay for or be required to use BPA programs, Klein said. The rate credit made sense years ago "in a melded rates world," but circumstances have changed, he said. For many utilities, BPA's program "does not help, it limits," Klein indicated.

There are things BPA can do, he continued. Market transformation, research and development (R&D), and a strong role for the Northwest Energy Efficiency Alliance (NEEA) are possibilities, Klein suggested. In these areas, it makes sense to leverage resources and partner to get economies of scale, he said.

At Snohomish, we take advantage of opportunities that match the culture in Puget Sound, Klein stated. We want to be free to do what we need to do, and holding us to an old paradigm does not work, he said. Klein added that he has "absolutely no problem with smaller utilities" tying their conservation efforts to BPA if they want to.

BPA has a regulatory role "to see that utilities are doing what they say they are doing," Klein went on. In Washington, we will have to submit verifying information to comply with I-937, and "I have no problem with BPA looking over our shoulder," he said.

We need to look at this strategically, Klein stated. “Remove the hurdles, don’t create them,” he said. We are enjoying the advantage of conservation and renewables efforts that were undertaken in the past – “let’s go forward from there,” Klein urged. “Let’s innovate” and leave the previous structure behind, he concluded.

Bill Drummond, manager of the Western Montana Generation and Transmission Cooperative, said most of his members are full requirements customers of BPA. After 2011, when new contracts and tiered rates begin, utilities will have an incentive to pursue “all the energy efficiency they can find,” he stated.

Utilities that do not face renewable portfolio standards (RPS) in 2011 will have tremendous motivation to pursue energy efficiency considering that long-term power prices could be one to four times greater than BPA’s Tier 1 rate, Drummond pointed out. “Avoiding Tier 2 at all costs is going to be important,” he stated. In addition, the new BPA contracts require utilities to acquire energy efficiency as defined by the Council, Drummond reported. If they don’t, they could risk losing access to Tier 1 power, he said.

Our customers “are clamoring for energy efficiency,” Drummond continued. He noted that customers know and trust their local utility and come to it for service. And we don’t have the investor-owned utilities’ problem with losing out on profits if our sales decline, Drummond said. In other words, there are compelling reasons for utilities to pursue energy efficiency, he stated.

The structure for the BPA conservation program needs to change, Drummond said. There are cross-subsidies, which might have made sense under the old system when BPA

acquired all the resources for its customers, he explained. But under the new contracts, utilities will obtain their own resources and have their own avoided costs, Drummond said. With its own avoided costs, a utility can make its own choices about what will work, he indicated.

BPA is starting a process next month about its role in conservation, and “I look forward to a lively discussion,” Drummond said. Redistributing the dollars customers pay for conservation no longer makes sense, he stated.

We’d like incentives in our state to get homes built to energy codes, Drummond continued. Sixty percent of new homes in Montana are not inspected for energy codes, he said. One solution would be to give homeowners an incentive to build an Energy Star home, but that alternative doesn’t work under the current BPA program, according to Drummond. The regional structure has to change for utilities to acquire energy efficiency, he wrapped up.

Rick Crinklaw, manager of Lane Electric Cooperative, summarized the panel’s messages. There is an “overwhelming public power view” that we are out to get all cost-effective conservation – “it’s unwavering,” he said. But we need greater local control over the design of funding for energy efficiency, Crinklaw said. We understand our communities and know what works, he stated, adding that the current BPA program can lead to missed opportunities.

There is now greater incentive for utilities to acquire energy efficiency, Crinklaw continued, reiterating that BPA’s new resource-acquisition role has rendered the current paradigm obsolete. BPA should support the region’s utilities in acquiring energy efficiency with broader initiatives like

R&D and market transformation, not day-to-day operations, he said. We need to refine the role of BPA so the publics can be more effective at acquiring energy efficiency, Crinklaw concluded.

You've delivered a clear and consistent message, Council chair Bill Booth told the panel.

Can't you talk to BPA and fix the current program? Melinda Eden asked. In my case, BPA does not have a role, Klein responded. I don't need their help, although it might make sense for a small utility, he acknowledged. We want the freedom to develop programs that work for us, Crinklaw added, describing his utility's acquisition of advanced metering. It was an investment that we made on our own, he said.

You've highlighted key issues, and we're looking at an evolution in the program, Tom Karier said. BPA's conservation and renewables discount was revolutionary for its time, but now it's time for the next step, he said. I think there is a regional role for BPA, and the upcoming process gives us an opportunity to solve these problems, Karier stated.



**Power System, Minus
1,170 MWa, is AEERPS**

Staffer John Shurts explained that the Council must make a determination about whether its fish and wildlife (F&W) program will affect the adequacy, efficiency, economy, or reliability of the power system (AEERPS). Staff presented a preliminary AEERPS analysis, indicating the Council would have a chance to react before the program is completed in February.

The AEERPS determination involves making a comparison between a regional power operation that implements the F&W program's measures and one that does not, staffer John Fazio said. Our analysis indicates that implementation of the program will reduce hydro generation by about 1,170 average megawatts (aMW) or about 10 percent of the system's firm generating capability, he said.

The energy loss is about \$434 million per year, but it could go as high as \$1 billion, Fazio reported. There are other costs associated with the program, he continued, including capital costs and other program expenditures that are expected to average \$56 million and \$231 million, respectively, over the next five years.

The total annual cost to the region is about \$720 million, which represents 20 percent of BPA's annual net revenue requirement, Fazio said. While this is a substantial impact and would affect AEERPS "if it were implemented overnight," it has been carried out since 1980, and the region has been able to adapt to the changes in the hydro system, he stated.

We concluded that the F&W program will not affect the AEERPS in a way that cannot be accommodated, but we will look more closely at this issue in the Sixth Power Plan, Fazio said. BPA reviewed the numbers and concurs with our analysis, he added.

Not everyone agrees that foregone revenues are an expense of the F&W program, Eden stated. Of the \$434 million, about half is lost revenue, and half is power purchases made to replace lost generation, Fazio responded.



In Treaty Time, 2014 is Just Around the Corner

The Columbia River Treaty with Canada is “evergreen,” and the earliest it could be terminated by either the United States or Canada is 2024, BPA’s Steve Oliver explained to the Council. Termination requires 10 years’ written notice, and “coordinators” for the treaty in the United States – Oliver for BPA and Witt Anderson for the Corps of Engineers – are starting the first phase of a process to consider 2014 issues, he said.

The treaty, which was signed and ratified between 1961-1964, provided for significant development of projects in the Columbia River Basin and motivated major additions to the system, including the Pacific Intertie, and operating agreements, such as the Pacific Northwest Coordination Agreement, Oliver said. The treaty required Canada to construct three large dams with 15.5 million acre-feet (MAF) of storage in the upper Columbia River Basin, he noted.

While the projects doubled the storage and expanded the ability to manage and control the river, this is still a “run-of-river system,” according to Oliver. Projects in the Columbia store about one-third of the runoff, less than other major river systems, he said.

The treaty also allowed the United States to construct and operate Libby Dam on the Kootenai River in Montana, Oliver explained. While Libby creates power and flood control benefits downstream in the United States, no payment is required, he indicated.

Oliver outlined the power provisions in the treaty, explaining that the United States must now deliver to Canada one-half of the

downstream power benefits (Canadian Entitlement), which is currently worth about \$250 million to \$350 million annually. One of the issues for 2014 is the cost of providing that return, which is about equal to the output of the Columbia Generating Station, he said.

Owners of the five mid-Columbia hydro projects deliver 27.5 percent of the power BPA returns to British Columbia, Oliver explained. The treaty dams in Canada enhanced the ability of the mid-Columbia projects to generate power, and those public utility districts were very involved, he added.

Holding Back Flood Waters

Anderson outlined the flood-control provisions of the treaty, which include 8.95 MAF of flood-control storage in Canadian reservoirs. We can make “on-call” requests for additional storage if we need to, but we have never done so, he said. As the dams were completed, the United States paid Canada \$64.4 million for one-half of the present worth of the expected future flood damage that was prevented from 1968 through 2024, Anderson continued.

Canada’s unconditional guarantee of 8.95 MAF of flood control was purchased only until 2024, when it changes, independent of treaty termination, he explained. We can continue to have the storage, but we will pay for it, Anderson stated. That is one of the reasons for the 2014 review of flood-control provisions, he said.

In 2024, the flood control provided by the Canadian projects transitions to a “called-upon” operation, Anderson said. The operation is limited to potential floods that could not be controlled by storage in the United States, and the United States must pay for operating costs and any economic losses in Canada that result, he explained. The

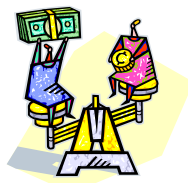
Corps is studying details of such an operation and how it would be paid for, Anderson said.

We are working on Phase I of the review now, and we are starting six years in advance because there is so much to consider, Oliver picked up. He listed the future alternatives as: treaty remains in place; treaty remains in place with minor adjustments done through implementation agreements; substantive modification/amendment to the treaty, which would require Presidential approval and Congressional ratification; and treaty termination by either or both parties.

If the treaty were terminated, British Columbia would continue to operate its projects, except for called-upon flood-control operations, Oliver said. And the United States would continue to coordinate with Canada on the operation of Libby, he went on. The Canadian Entitlement would cease to exist, and the United States would retain the downstream power, Oliver said. There is significant flow in the system, especially with flood events, and without the treaty, we wouldn't have the coordination, and things would be more uncertain, he added.

Oliver laid out the studies that will be conducted in Phase 1, including flood control, power operations, and the Canadian Entitlement under scenarios with and without the treaty. He noted that entities in both countries are participating in the studies, which are expected to be released in late summer 2009.

Beyond Phase 1, the Corps will undertake a flood-risk management review, and there could be additional studies, Oliver said. We haven't yet designed a process for involvement by others, but the agencies plan to keep interested parties apprised, he said. It's early in the process, Oliver wrapped up.



New Balancing Act Needed for Wind

Rachel Shimshak of the Renewable Northwest Project pointed out that the Northwest Wind Integration Action Plan answered the question of whether the region could integrate 6,000 MW of wind. “The answer was yes,” and the plan provided 16 action items to make it happen, she said.

Wind is an economic source of clean energy, and the Department of Energy recently said the United States could meet 20 percent of its electricity needs from wind, Shimshak said. The biggest impediment is transmission, she added. To integrate wind, we have to do things differently than we have been doing them, Shimshak indicated. She noted that in 1998, there were two wind projects in the Northwest, but now the map is filled with projects and proposed installations.

The amount of wind generation in the region is projected to increase 45 percent in 2008, according to Ken Dragoon of the Renewable Northwest Project. He pointed out that Germany has 22,000 MW of wind installed, and Spain has 14,000 MW, which meets 10 percent of demand in a 45,000-MW system. This has been accomplished without a great deal of interconnection to others, Dragoon added.

The biggest issue with integrating wind is proving to be instances when the wind comes up rapidly, creating a surplus of energy that a utility has to find a home for, he explained. There are ways to address this, Dragoon said, suggesting it is a great opportunity for demand response and SmartGrid measures, and pointing out that the island of Hawaii deals with the ramp-up by “feathering” turbine blades and “spilling” wind.

He raised several issues that are concerns and “misconceptions” about wind energy.

Dragoon said the variability of wind is similar to that of loads, and the challenge of wind can be addressed in a similar way. Forecasting methods for wind are improving, he said, pointing out that wind forecasts are more accurate than forecasts for precipitation, but less so than for temperature. An industry has “sprung up” to do wind forecasting, and one of the premier forecasters is located in Seattle, Dragoon reported. A significant impediment to better forecasting is the lack of price signals with wind generation, but the value is becoming evident, he pointed out.

The operational challenges of wind, including variability, are small compared to the dynamic variability of load, Dragoon said. Wind can be accommodated by increasing or decreasing other generation, and new storage technology would help with wind, he said. We should be backing down gas and other types of generation, rather than backing down wind, Dragoon stated. There are institutional impediments to operations that accommodate wind, but changes can be made, he added.

Dragoon explained what system operations would look like with 20 percent of load being met by wind. There isn’t a need for new generation to back up wind; you need it to back up load, he stated. There are applications for SmartGrid in integrating wind, including energizing hot water heating when the wind comes up, Dragoon said.

We have many tools available, and many of them are institutional, he continued. With new arrangements, we could greatly reduce the need for capacity reserves, Dragoon said. He suggested other solutions lie in more frequent scheduling, intra-hour trading, and reserve sharing among balancing authorities.

“I’m optimistic we will get past this,” Dragoon stated. We have to get to a low-carbon future, but the question is how, he went on. In the Sixth Power Plan, you could take a lead role in formulating how we do that, Dragoon told the Council.

Shimshak pointed out that the easiest way to integrate wind is to have “a bigger system” in which to balance it. We have 16 balancing authorities in the region, and we need to move quickly to solve the institutional issues, she said. “We’d like you to take the leadership,” Shimshak stated. We have a system that was built to use the resources of today, and we need to find a way to accommodate new resources, she said.

I’ve heard mention of a “wind-only” balancing authority, Eden said. Would it also take more transmission? she asked. The wind-only idea would combine all of the wind projects into one pool and balance them, Dragoon responded. If it takes more transmission, it probably is not worth doing, he added.

It will take a while to get over the institutional barriers, Jim Yost said. The hydro system “is about used up” for balancing wind, and it also has to respond to salmon and Endangered Species Act (ESA) requirements, he stated. If we are building wind in the Northwest, I expect “the green credits” to stay here, Yost said. I fear there is a market growing for green tags elsewhere, he added.

We need your help, too, to make this work without the need for generating backup, Booth said. I don’t believe we should have wholesale wind development in the region just because there are tax credits, he said. We don’t want more wind developed than will be useful, Booth indicated.



Long and Short of Willamette BiOp

Mindy Simmons of the Corps of Engineers presented an overview of the Willamette Project Biological Opinion (BiOp) released in July 2008. The BiOp covers 13 multipurpose dams and reservoirs, downstream habitat, 42 miles of bank revetments, and a hatchery mitigation program, she explained.

Simmons described the Willamette subbasin and noted that it is the most populous in the Columbia River Basin. Prior to construction of the Willamette project dams, flooding in the Willamette Valley was widespread; dam construction was begun in 1941 primarily for flood control, she said. Unlike the Columbia River, there are no dams on the mainstem Willamette, Simmons pointed out. All of the dams are on major tributaries that drain the Cascades, she said. With the dams, we control 27 percent of the flow in the subbasin, Simmons added.

The primary authorized purpose for the Willamette dams is flood control, but hydropower, navigation, irrigation, fish and wildlife, recreation, water quality, and municipal and industrial use are also included, she continued. As for hydropower, eight of the 13 dams have generation, which totals 400 MW of installed capacity, Simmons reported. The dams produce 182.8 aMW with an annual market value of \$90 million, she said. The Willamette projects can deliver more energy in a shortage, and they are located close to westside load centers, giving them an additional benefit, Simmons added.

The Willamette system benefits also include \$920 million in annual average damage reduction from flooding, she said. Irrigation

is a minor use in the Willamette, but it supports high-value crops, Simmons noted.

From a fish perspective, the Willamette is quite different from the Columbia, she pointed out. Most of the Willamette projects are high-head dams located in tributaries, and they operate primarily for flood control, Simmons said.

The Willamette BiOp was completed after eight years of consultation, and it proposes continued operation of the 13-dam complex, continued maintenance of the revetments, and operation of a hatchery program, she went on. The federal agencies' (Corps, BPA, and Bureau of Reclamation) proposed action resulted in a jeopardy opinion for the fish in the Upper Willamette Basin listed under the ESA, and the agencies, in consultation with the National Marine Fisheries Service, developed a reasonable and prudent alternative (RPA), Simmons said.

The BiOp addresses the downstream effects of the reservoirs, including alterations in the seasonal flow pattern, she said. There is a problem with providing adequate water downstream of dams for all salmon life stages, and one of the RPAs is to identify the appropriate flows downstream of dams to protect spawning habitat, Simmons stated.

In addition, the BiOp addresses the loss of floodplain connectivity in the Willamette and spells out a habitat restoration program, she explained. The BiOp requires completion of two habitat projects per year starting in 2010, Simmons pointed out. And the BiOp addresses the Willamette hatchery program, which has numerous facilities and takes various approaches to mitigation, she indicated.

An additional problem in the Willamette is the temperature effects of the dams, Simmons

said: the water is too cold during the summer, which keeps migrating adults from coming back to spawn, and it is too warm during the fall and winter. Water temperature has been identified as a major limiting factor for spring chinook populations, she said. The Corps' solution has been a temperature-control operation, and installation of temperature-control structures at the dams, which allow for water release at different elevations in the reservoirs, Simmons explained.

Upstream passage is a major issue in the Willamette, with upstream passage currently provided at only two dams through a "trap and haul" effort, she said. Fish ladders are likely infeasible at the high-head dams in the Willamette and due to variable forebay fluctuations, Simmons added.

The BiOp calls for continuing the adult "outplanting" program, but downstream passage is a challenge for several reasons, including deep intakes to the passage routes, she explained. The BiOp takes a "step-wise" approach to downstream passage, which includes continued evaluation at eight Willamette dams and reservoirs, Simmons said. Longer term, there is a requirement for downstream passage construction, beginning in 2014, she stated.

Simmons wrapped up by describing the process for evaluating further actions, conducting research, monitoring, and evaluation (RM&E), coordinating with agencies and tribes, and funding the work. The Columbia River Fish Mitigation Fund will be tapped for large structural modifications at the dams, she reported.

Karier questioned the power share of project costs. He pointed out that power benefits are \$90 million annually and flood control benefits are 10 times that amount. Yet 50

percent of the project costs are allocated to power, so why is this so "out of whack"? Karier asked. Anderson of the Corps explained that the cost allocations are made when projects are originally authorized. The original allocation determines how the costs are paid back – we don't go back and do a rigorous evaluation of the relationships and get a new assessment, he said.

The power system "may be significantly overpaying its share," Karier stated. "That's a fair statement," Anderson responded.

Council Snags on F&W Implementation



The staff has done a lot of work since the last meeting to consolidate public comments on the F&W program, Booth reported. There was good attendance at the hearings the Council held, and people had lots of questions, he said. "People are paying attention," and that will make for a better product, Booth added.

The comment period on the draft program closed December 1, staffer Patty O'Toole reported. We are now in the process of having final consultations, she said. The Council held 11 public hearings and has had six consultations, with three more scheduled, O'Toole said. We've received 53 comments, which have been forwarded to Council members, she added.

Are the consultations only to clarify the comments and not to add new material? Rhonda Whiting asked. Yes, they are consultations on things that are already in the administrative record, O'Toole responded. She described the comment compilation, which provides "a good idea of what people are saying," across a range from minor

suggestions to “very involved comments on major issues.”

Staff will take the information from our discussion today and consultations through December 19 and prepare a new draft of the program, O’Toole continued. We will try to get a new draft to you the week before the January meeting, she said. In January, we’ll work through the program section by section and focus on trying to get to a Council decision in February, O’Toole said.

She went on to explain staff’s suggestions for how to treat hundreds of measures that were offered as program amendments. We are considering how to organize them – perhaps by subbasin – and how to shorten the material to keep it from being too unwieldy, O’Toole explained.

I’m confused about whether this is a publishing issue or a policy issue, Eden stated. Why would it be so difficult to make a list of the measures? she asked.

The question led to a lengthy and wide-ranging discussion around several issues, including: whether the decision about the measures is a matter of organizing them for publication or a policy decision about how the measures are to be treated as part of the program; what was meant by the reference in the draft F&W program to “multi-year implementation plans”; how the Federal Columbia River Power System (FCRPS) BiOp and Accords with tribes are being treated and whether the same should pertain to other proposed measures; and whether the existing process for project review is adequate for the amended program.

“I don’t think our project review process is of much use any more,” Joan Dukes stated. The Council has already “stepped outside” its process by sending 11 BiOp and Accord

projects to science review, and “its relevance has been diminished,” she said.

Shurts said the Council has heard repeatedly from commenters that want to know where the measures they submitted as amendments appear in the program.

“We need to be clear about whether including these measures in the program has funding implications,” Karier said. Eden suggested the Council needs implementation plans by subbasin to include everything that was submitted.

There is confusion in the comments we received about what a measure is, Yost pointed out. Some think that if a measure is adopted into the program that gives it priority for funding, he said. The Council needs to have a process to work through these measures and to have a consistent way to prioritize them, Yost stated.

The subbasin plans have not been updated, Whiting pointed out. We have to stay at the policy level and “not get into micromanaging projects,” she added.

The task here is defining the implementation plans, Booth stated. “We owe the region an understanding of how their projects fit into the program” if they are not related to the BiOp or Accords, he said. We have to spell out the mechanics of implementation, Booth said, adding that the Council has been getting comments about paying deference in the program to fish managers and tribes.

We have a responsibility for all of these projects, Dukes stated.

Karier reminded the Council of its policy for implementing measures. There are three elements, he said: budget setting, science review, and a Council recommendation. Yost

added that the Council has a process for categorical reviews that “could and should” continue. I don’t understand a “multi-year implementation plan,” but I do understand the project approval process, he said. People know how it works and what is required of them, Yost said. We have a three-year funding cycle – I think we’re adding new labels to the process we already have, Eden commented.

Dick Wallace suggested dropping the term “multi-year implementation plan” from the draft language. Let’s use the existing process, he said. Let’s drop the term and just spell out what we’re going to do, Dukes agreed. As for where the list of measures should go, I vote for the appendix, she added.

Booth summarized the discussion and decision as follows: everything we received as recommendations will be accepted into the program. There is a majority opinion that to do that is okay as long as we aren’t committing to funding the list in its entirety. We want our regular process to apply to making project selections. We’ve already expedited the first 11 projects for independent science review, and the word is that the projects need work.

As for the new measures, he continued, there may not be much that is actually “new” – much is ongoing work, such as RM&E. We have subbasin plans, and we may be able to mesh some of the new material with those plans, Booth summarized.

Dukes pointed out that subbasin groups don’t exist anymore. Wallace suggested staff give some thought to the process. It may not fit in all states, but you could include generic language that where local groups exist, we will use them, he suggested. O’Toole said the draft program addresses voluntary updating of subbasin plans to begin in 2009.

END NOTE

Hatchery Consultations Set for 2009.

NOAA Fisheries briefed the Council on its plans to begin consultations on the basin’s hatchery programs to assure they are consistent with the FCRPS BiOp. Strategies in the BiOp call on NOAA Fisheries to ensure that programs funded by the FCRPS Action Agencies are not impeding recovery of salmon or steelhead. NOAA Fisheries will start its consultations with hatcheries in the Upper Columbia in January 2009, the Middle Columbia in July, and the Snake in February 2010. Rob Walton of NOAA Fisheries told the Council there is potential for some hatchery programs to be changed or terminated.

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Council 2009 Calendar

January 13-15	Missoula, MT
February 10-12	Portland, OR
March 10-12	Boise, MT
April 14-16	Skamania, WA
May 12-14	Walla Walla, WA
June 9-11	Whitefish, MT
July 14-16	Portland, OR
August 11-13	Spokane, WA
September 9-10	Oregon
October 7-9	Ketchum, ID
November 12-13	Teleconference
December 8-10	Portland, OR