



**NORTHWEST POWER AND CONSERVATION
 COUNCIL
 October 15-16, 2008**

The Council decided in Missoula to give the public more time with the draft fish and wildlife program, extending the comment deadline to December 1, the consultation period to December 19, and postponing adoption of a final program until February. The draft fuel-price forecast for the Sixth Power Plan is also out for comment. Spring chinook returns on the Columbia were lower than the pre-season forecast, which led to overharvest on upriver listed runs. On the bright side, 573 natural sockeye spawners, along with 500 of their hatchery brethren, are doing their thing in Idaho's Redfish Lake. Next meeting: November 18-20 in Coeur d'Alene, ID.

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THE AGENDA



Fuel Prices Cycle Higher

Staffer Terry Morlan presented the draft fuel-price forecast for the Sixth Power Plan, which shows the change in energy markets since the fifth plan. He cited significant fluctuation in oil prices over the past month as an example of

the uncertainty involved in forecasting the price of fuel over a period of years.

The draft forecast for the power plan looks at natural gas, oil, and coal prices, Morlan explained. Natural gas prices are significantly higher than in the last plan, with the medium high and high cases at over \$8 per MMBtu, he said. According to a graph of wellhead prices, prices were at half that figure five years ago.

Gas and oil prices are related, and the two tend to move together, Morlan continued. Our medium case has oil prices between \$70 and \$80 per barrel, he said. The pattern

with prices tends to be cyclical; they rise to a certain point and then fall, Morlan noted. Our forecast assumes a similar *pattern*, but the actual price has moved higher, he said.

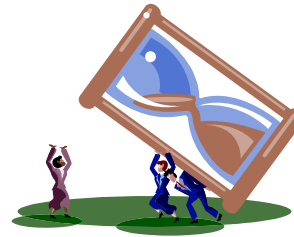
We are in “a whole different world” with oil prices than we were in the last plan, Morlan pointed out. In the forecast for the fifth plan, prices were in the \$20 to \$40 per barrel range, he said.

Most of the coal used in the region is from the Powder River Basin, so that price is what we’ve looked at for the forecast, Morlan explained. The price of coal has declined from over \$1.40 per million Btu to just over \$.60, he said, and it is forecast to level off in that range. We don’t see a lot of demand for coal because of climate change regulations, Morlan added.

Dick Wallace asked how the consumption of oil and gas in emerging economies such as India and China are figured into the forecast. The effect of that increased demand is reflected in higher prices, Morlan responded. We use models from other sources that include the fundamentals, such as world demand, when we prepare our forecast, he said.

Morlan pointed out that staff compares its draft fuel-price forecast with forecasts prepared by others to make sure they are tracking. The graphs included in the staff’s fuel-price paper indicate the Council’s forecast is comparable to others.

The Council voted to release the draft for public comment.



Time on the Side of F&W Commenters

Staffer Patty O’Toole reported that the Council has received considerable comment on the draft fish and wildlife (F&W) program. About 35 people have attended public meetings, but just a few written comments have come in so far, she said, adding that most tend to come in close to the deadline. O’Toole listed numerous topics that have been addressed in comments, pointing out there have been comments on most sections of the program.

Council chair Bill Booth asked how staff would organize the comments for the Council to consider, and O’Toole said they would be organized according to the program outline. We will get a summary out as soon as possible and then organize the comments for the Council to make a decision on how to address them, she continued. We will post written comments on our website and circulate notes from the public hearings, O’Toole added.

We are getting a lot of requests for consultation, she continued, noting that requests have come from the Umatilla, Nez Perce, Burns Paiute, Salish Kootenai, Spokane, and Shoshone Paiute tribes. We have also met with the Nez Perce, Upper Columbia United Tribes (UCUTs), and the Columbia Basin Fish and Wildlife Authority (CBFWA), O’Toole said. We take notes at the consultations for the administrative record, she added.

O'Toole said there had been a request to extend the comment deadline beyond October 30. After the close of comment, we go into an informal consultation for clarification for two weeks, which on the current schedule would end November 14, she said. We would then wrap things up and have a final program ready for a Council decision in December, although we may need a conference call to discuss items prior to that meeting, O'Toole said.

CBFWA would like a 30-day extension, and the UCUTs and Nez Perce have also asked that we extend the comment deadline, she reported. If you decide to take comments for another 30 days, the deadline would go until December 1, O'Toole added.

If you extend the comment period, we propose that the Council decision on the final program be made in February, staffer Sandra Hirotsu said. With the intervening holidays, it would be too tight to try for a January decision, she advised.

If we do that, would we still be on schedule for the power plan? Booth asked. Yes, we would still be within the statutory deadlines for the power plan and the F&W program amendments, O'Toole responded. We've discussed this, and I didn't see an issue with the power plan if we extend the comment deadline, Melinda Eden agreed.

I'm inclined to grant more time to give us the opportunity to better understand what's in the draft and allow for a more thorough debate, Wallace stated.

"I am reticent to extend the deadline" after doing that once already, Bruce Measure said. We have only received five written comments, and there have not been very many people attending the hearings, he stated. I am more inclined to give the

Council additional time to review the draft, Measure added. There has been adequate time for folks to review and understand what is in the draft, and I intend to oppose an extension, he stated.

I appreciate both points of view, Eden said. But she added that she would "reluctantly" favor an extension.

"I don't think an extra 30 days will make this a better document," and I haven't heard good reasons for an extension, Joan Dukes stated. I don't know why the interests making the request couldn't have arranged extra meetings if they needed them, she said. But I will "very reluctantly" support an extension, Dukes concluded.

Is there time to fit in the consultation requests without an extension? Rhonda Whiting asked. Under the current schedule, they would need to be completed within four weeks, O'Toole responded. We could hold those meetings through November 14 and could schedule others around the November Council meeting, she added.

I like to see the tribal engagement and consultations, Whiting said, noting some of the interest being shown is separate from CBFWA. I want to take the consultations seriously, and I like to see more people brought in, she said. I'd support an extension, Whiting stated. O'Toole said if the comment closes on December 1, there could be additional time, until December 19, for consultation and clarification. The end of the comment period should coincide with the end of consultation so any final comments could be considered in the final program, Whiting suggested.

Tom Karier said he thought a distinction between written and non-written comment was new. Staffer John Shurts said that it

had been done this way in the past. We end the written comment period, consultation continues, and all of it is carefully recorded for the administrative record, he said.

Measure offered a motion that the comment period be extended by 30 days, until December 1, and that the consultation period be extended to December 19, with no further extensions. Wallace seconded the motion, which passed 7-1; Measure voted no.



Zen and the Art of Harvest Management

Bill Tweit of the Washington Department of Fish and Wildlife reviewed the Columbia River salmon and steelhead returns for 2008 and the results of harvest. He acknowledged his review was “the half-time report” since information on escapement in the tributaries “is still up in the air.” But you’ll see the trends in data we have compiled from many sources, including state and federal agencies and tribes, Tweit told the Council.

The preseason forecast of 269,300 upriver spring chinook didn’t hold up, and only 178,800 were counted, he said. The jack count of 22,400 in the run was the highest since 2000, when 24,400 jacks passed Bonneville Dam, Tweit reported.

We tend to use the jack count in forecasting for the next year, and it has been “a fairly robust indicator,” he explained. That did not prove to be the case for 2008, Tweit indicated. The overforecast created problems in setting the fishing season, and harvest ended up above what it should have

been for fish listed under the Endangered Species Act (ESA), he said.

The upper Columbia summer forecast was much closer to the actual, Tweit continued, with the in-season count of 54,000 exceeding the preseason forecast by a couple of thousand fish. The escapement of 39,300 fish at Priest Rapids Dam was nearly double the goal, he said. Every indication is that we got above the escapement needs on both natural and hatchery stocks, Tweit added.

Sockeye a Stunner

We were “stunned” by the large sockeye return, which ended up being the largest since 1955, he went on. There was some tribal fishery on the sockeye, and a small number of fish was caught in the commercial harvest, Tweit said. With most of the fish headed for the Okanogan hatchery, we had a fishery in Lake Wenatchee, he added. “We hope the sockeye return is a sign of things to come,” Tweit stated.

He reported that summer steelhead numbers were above the forecast and went on to explain how the fall fishery is managed for five separate stocks of chinook. The ESA imposes limits on the harvest of all listed stocks, Tweit explained.

The preseason forecast for fall chinook was good, but the run was even better at 301,000, he reported. There was an excellent count over Bonneville Dam, and we were able to bump up the harvest, from 8.25 percent to 11 percent, when the run was upgraded, Tweit said.

He pointed out that managers were able to open a fishing season on fall chinook in the Snake River, something that had not been

done for 30 years. “This is a great success story,” Tweit stated. We hadn’t planned for that fishery, but we were able to act quickly and get the season open, he said.

With regard to coho, on which there is a heavily restricted ocean fishery, a lot of fish were headed for the Snake and Upper Columbia, so it looks like the reintroduction is working very well, Tweit said.

Overage Headache

The overharvest on upriver spring chinook, which happened in both non-Indian and Indian fisheries, “was a very bad overage,” he continued. For non-Indian, 1.9 percent was allowed and 2.1 percent was the estimated take; for Indian, 9.1 percent was allowed and 11.5 percent was the estimated take, Tweit reported. “We are heavily criticized for these overages” so we will be discussing the reasons at length, he acknowledged.

Why did this happen? Booth asked. We were caught inseason with an unexpected drop in the run size, Tweit responded. Usually the run builds and drops off on the back side, but this year, it dropped off quickly, he said. The timing of the run is changing, which has added to the difficulty, according to Tweit. We also gauge things according to the sport fishery that is going on, and the salmon at that time were very plentiful, he said. By the time we realized we were over the limit, it was too late to adjust, Tweit stated.

The tribes had a fishery scheduled right at the peak of the run, and they were caught exceeding the allowed harvest as well, he said. “It frustrates us both,” Tweit added.

What is the penalty for overfishing on an ESA-listed run? Karier asked. There is no

biological fix, but there are consequences, Tweit replied. There will be a lot of time spent figuring out what went wrong, he stated.

But “we live on the edge” – we try to get the most we can out of the runs, Tweit acknowledged. Ultimately, the overharvest could lead to less flexibility and more conservative management, which is more likely to leave fish in the water, he said, adding that reducing the harvest on hatchery fish is not desirable. We want to make use of them and reduce the impacts on natural fish, Tweit said. If we have too much harvest two years in a row, the National Marine Fisheries Service could step in and reinitiate consultation, he added.

Wallace suggested managers may need to work on their tools for predicting the runs, and he asked about mark-select fisheries. Tweit said almost all spring chinook fisheries are mark-select and said work is going on to increase mass marking on other runs.

Dukes asked if tools for predicting runs are getting better. Tweit said work is being done at Oregon State University to improve the tools and that additional information from the ocean is needed. He pointed out that the most desirable “loading” for harvest takes fish evenly across the run rather than putting pressure on the front or back end.

Booth reported that fall chinook returns over Lower Granite Dam into Idaho have been two-and-a-half times average, with three times the number of wild fish. In addition, 573 sockeye from the 2008 returns have been released to spawn in Redfish Lake, joining 500 hatchery spawners, he said.

Clark Fork Gets a Facelift



Brianna Randall, water policy director of the Clark Fork Coalition, briefed the Council on a recently released report on climate change, “Low Flows, Hot Trout.” The coalition, formed in 1985, considered what “a place-based river conservation group” could do on climate change and decided to gather data into a report that brings the topic “down to the hometown level,” she explained.

We looked at temperature data and found that in 50 years, there had been an almost 2 degree increase in average temperature in Missoula and Butte, and a nearly 1 degree increase in Kalispell, Randall said. While there has been no change in overall precipitation, there is less snow and more rain – “that’s why we’re losing our glaciers,” she stated. From 1950 to 2000, the snowpack in the mountains on April 1 decreased by 30 percent, Randall said. There has also been an increase in the number of days over 70 degrees, she added.

Randall pointed out that in a local stream, Rock Creek, brown trout, which are more tolerant of warmer water, now outnumber rainbow trout. There is greater fire danger in the forests, and with warmer temperatures, the destructive bark beetle has two lifecycles in a year, she said.

The report lays out actions for mitigation and adapting to climate change, Randall continued. She noted that human population in the Clark Fork subbasin is growing fast, and most development is crowded into river corridors. “Surprising as it may seem,” Randall said, 81 percent of

new homes are on septic systems and wells. The report recommends more efficient use and re-use of water, she said. There is also a call for flow restoration and linking land-use decisions to water availability, Randall stated.

She went on to describe cleanup of the Clark Fork River after “a century of abuse.” Floods transported mine tailings, with their heavy metals and arsenic, from the Butte area into the Clark Fork River, and the toxic material piled up behind Milltown Dam, Randall explained.

In 2008, after rechanneling of the river, the dam was breached as part of the remediation and restoration of a Superfund site, and 6,000 square miles were opened up to trout habitat, she said. Toxic sediments are being removed by the trainload and taken to a disposal site, Randall reported. Now that legal issues have been resolved over the Superfund site, we can get under way with developing a subbasin plan, she added.

Booth asked about the source of funds for the coalition’s work. Randall said in addition to the coalition’s 15,000 members, a number of foundations have awarded grants. The coalition also has products for sale on its website, and there are sponsor revenues from the Milltown web cam, which provides an around-the-clock view of progress at the site where the dam was breached, she concluded.

END NOTES

Reducing Carbon at What Cost. The Council approved a \$45,000 contract with EcoSecurities Global Consulting Services for an analysis of alternatives to reduce greenhouse gas emissions. Climate change policies and their effect on electricity choices and costs are key issues in the Sixth Power Plan. As input to the plan, EcoSecurities will provide the Council with an idea of the costs of meeting climate change initiatives.

Hood River Revision Approved. The Council voted unanimously to approve the revised master plan for the Hood River Production Program, a hatchery effort sponsored by the Confederated Tribes of the Warm Springs and Oregon Department of Fish and Wildlife. The revised plan, which has evolved since the original was submitted in 1991, addresses several factors, including the pending removal of Powerdale Dam. Dam removal will render inoperable a fish trap that is key to the program. The plan also proposes evaluations to determine the best production and release strategies for spring chinook and winter steelhead. The Independent Scientific Review Panel (ISRP) reviewed the revision when it was submitted in May 2008. In approving the plan, the Council called on sponsors to respond to ISRP concerns and submit a final master plan in 2013.

Flowering Rush Unwelcome in Flathead.

Researchers from the University of Montana and Salish Kootenai College have teamed up to map the extent of the flowering rush infestation in Flathead Lake and to study ways to kill and/or control it. The invasive non-native plant is easily spread, and attempts at eradicating it, including pulling and disturbing the roots, can make the problem worse. Researchers told the Council it is too late to eliminate it from Flathead Lake, but with education and control measures, it may be kept from becoming a serious problem in other parts of the Columbia River system.

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Council 2008 Calendar

November 18-20 Coeur d'Alene, ID
December 9-11 Portland, OR