

November 20, 2013

Mr. Bill Bradbury, Chair
Northwest Power and Conservation Council
851 SW Sixth Avenue, Suite 1100
Portland, Oregon

Dear Mr. Bradbury:

Thank you for the opportunity to comment on the recommendations the Council has received for amendments to the 2009 Columbia River Basin Fish and Wildlife Program. A broad number of parties have made funding requests as part of the five year update to the program. I write on behalf of Northwest Requirements Utilities, an association of 52 public preference customers that rely on BPA for their power supply needs. NRU members account for nearly 25% of the BPA wholesale power sales to Municipals, PUDs and Coops in the Northwest. Fish and Wildlife costs represent a significant component of the overall cost of BPA's Tier 1 power service. We therefore have a keen interest in the financial size of the program, the extent to which it is integrated with the FCRPS BiOp, and the impact it will have on fish and wildlife species that are included within the scope of the Council's planning efforts.

Many of the members of NRU belong to Northwest RiverPartners (NRP). As CEO, I serve on the NRP Board and have reviewed the draft comments from that organization. NRU endorses the comments of Northwest RiverPartners, and, for the sake of brevity will not restate all of the more detailed points raised by that organization. However, we offer two general concerns for your consideration as you evaluate funding requests:

- The Council has a difficult but necessary job scaling back the size of the funding requests to fit into projected financial planning parameters and to accommodate regional fish and wildlife commitments that are pre-established.
- Proposals for experimental spill at federal dams at 125% Total Dissolved Gas lack regional support, may have negative impacts for fish, are more appropriately addressed in other settings (administrative and judicial) and are clearly at cross purposes with the river operation strategy contained in the successful FCRPS BiOp.

The Council Has a Difficult Task in Developing a Fish and Wildlife Program that Meets the Requirements of the Regional Act and that Assures Economical Power Supply

As BPA customers, the members of NRU shoulder the financial responsibility for the FCRPS BiOp, the largest fish and wildlife mitigation program in the world, as well as the cost of the Accords BPA signed with various states and Northwest Tribes. The Accords cost roughly an additional \$100 million per year over a 10-year period compared to the underlying requirements of the BiOp. BPA assured customers that the parties that signed the Accords would not request additional funding from BPA during the term of the agreement, which expires in 2018. If the parties that signed Accords are directly or indirectly sponsoring new or expanded proposals that have the consequence of expanding BPA's overall financial obligations, those parties should be obligated to identify how other components of the Council's F&W program can be pared back to accommodate the proposed increase. If, at the end of the day, the Council cannot accomplish this, or make the necessary reductions on its own, then NRU members will have no recourse other than to vigorously press BPA to make reductions for financial reasons, and perhaps with less regard to how the Council's overall program will be impacted. A preferred course of action is for the Council to keep control of the process by demonstrating financial prudence.

At a very high level it appears as if many of the fish and wildlife agencies and interest groups have submitted proposals to the Council where the costs in aggregate are well above available funding, and equally important do not appear to be within the scope of BPA's funding obligation for mitigation measures associated with FCRPS projects. For example, we see no direct link between BPA's obligations and such topics as invasive species, toxic chemicals, ocean and estuary research, protected areas and other items. These new subject area recommendations are at cross purposes with the limitations that were established in the Accords and should be rejected as a component of the Council's fish and wildlife program. Alternatively, the Council should support forums to facilitate a broader regional dialogue of these topics.

Admittedly the excessive requests for funding places the Council in a rather difficult position of needing to explain why individual proposals are being dropped from further consideration, rather than just rejecting them in circumstances where the fish and wildlife managers collectively failed to exercise reasonable financial prudence in the proposals they submitted. If there is something NRU staff can do to assist the Council in developing or applying the criteria for screening projects please let us know.

The Council Should Reject Proposals to Implement Experimental Spill Management

We have reviewed the September 17, 2013 recommendation from Oregon to increase spill to 125% of total dissolved gas (TDG) from April 3rd to June 20th for a period of 10 years at the Lower Snake River and Lower Columbia River federal dams. We strongly urge the Council to not include this proposal for further consideration for the following reasons.

First, this is a subject matter that falls within the FCRPS Biological Opinion, which is the responsibility of NOAA Fisheries and the Federal Action Agencies (BPA, Corps of Engineers and Bureau of Reclamation.) These agencies have the responsibility and expertise to fully address timing and amounts of voluntary spill at federal dams. To the extent the State of Oregon or other historical

plaintiffs challenging the Bi-Op want to address spill, they can do so as part of the administrative process used to develop the Bi-Op.

Second, the 2008 FCRPS Biological Opinion as modified by the 2010 Supplemental BiOp and the draft 2013 Supplemental BiOp show the adequacy of hydro operations and in river survival for migrating smolts based on the best available science, performance standard testing and diagnostic evaluation. The various analyses that try to refute these findings are speculative and cannot be relied upon, particularly in light of the weight of evidence supporting the BiOp.

Third, 125% TDG exceeds both the Oregon and Washington water quality criteria promulgated pursuant to the Clean Water Act. Recently Earthjustice and others challenged the lower TDG limits of the Washington State Department of Ecology for the federal dams. The Washington Court rejected the plaintiffs' request to overturn these standards.

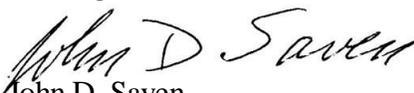
Fourth, the NRU members in the State of Oregon unanimously oppose this 125% spill proposal from the Oregon Department of Fish and Wildlife. We also believe it has zero support within the Northwest public power community. The fact that this is called an "experiment" should not dissuade anyone from concluding that if the experiment were implemented we would be abandoning the fish recovery strategy included in the BiOp that has served the region well and satisfies the requirements of the ESA and CWA.

Finally, this proposal would create unnecessary controversy within the region which would detract from the Council having the ability to focus on the key challenges of forging a fish and wildlife program that meets the intent of the Regional Act and fits within funding constraints.

Concluding Comments

NRU continues to support the application of best available science, which is reflected in the performance for the FCRPS BiOp. The region needs to stay the course and recognize funding constraints. While we support research monitoring and evaluation (RME) as needed, we encourage the Council to develop principles to guide RME rather than expanding the overall scope of activities. Thanks for the opportunity to comment. If you would like to discuss any aspect of our comments please let us know.

Best regards,



John D. Saven
Chief Executive Officer

CC: Members of Northwest Requirements Utilities
Terry Flores, Northwest RiverPartners
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