

February 19, 2015

Elliot Mainzer, Administrator  
Bonneville Power Administration  
905 NE 11<sup>th</sup> Ave.  
Portland, OR 97208

Brigadier General John Kem  
US Army Corps of Engineers  
PO Box 2870  
Portland, OR 97208-2870

Re: Reintroduction of Anadromous Fish above Chief Joseph and Grand Coulee Dams

Dear Administrator Mainzer and Brigadier General Kem,

**Introduction**

I am writing on behalf of Northwest Requirements Utilities (NRU), an association of 53 BPA public power customers that rely on BPA as their primary or exclusive supplier of wholesale energy. NRU is closely aligned with the Columbia River Treaty Power Group (“Power Group”) and Northwest RiverPartners. However, we submit our comments on behalf of NRU only. The purpose of this letter is to express our strong concerns with the premature consideration of reintroduction of anadromous fish above Chief Joseph and Grand Coulee dams by the Northwest Power and Conservation Council (“Council”). While we are circulating these comments to the members of the Council, we believe that you, as the members of the U.S. Entity that formulated the Regional Recommendation for the future of the Columbia River Treaty with Canada (Regional Recommendation), have the authority and responsibility to address our concerns.

NRU will not be responding to the January 2015 “Phase I Plan for Upper Columbia River Basin Fish Passage and Reintroduction” submitted for regional comment by the Upper Columbia United Tribes. We recognize the strong interest the regional Tribes have in this issue, and acknowledge the hard work they put into developing and advocating for their proposal. However, we do not believe it is in the region’s best interest for NRU to offer policy or technical comments on a proposal that is clearly incongruent with the U.S. Entity’s Regional Recommendation for the Columbia River Treaty.

## **General Background**

NRU participated, in conjunction with the Power Group, in the development of the U.S. Entity's December 13, 2013, "Regional Recommendation for the Future of the Columbia River Treaty after 2024." We appreciated the difficult job you had in forging a broad-based regional recommendation that had the support of Northwest Tribes, public power, and members of the Council. NRU members continue to support that recommendation and are anxious for the Federal Government to determine a path forward to achieve your "Regional Goal for the Columbia River Treaty" as stated in the December 13<sup>th</sup> document.

NRU's support of the Regional Recommendation was predicated on it being advanced to the State Department as a package and in a deliberative and coordinated manner. In other words, as we wait for Washington D.C. to take action, it is imperative that the region not initiate actions that are inconsistent with the Regional Recommendation. The Entity's recommendations addressing the "Ecosystem-based Function" included the following language:

*The United States should pursue a joint program with Canada, with shared costs, to investigate and, if warranted, implement restored fish passage for reintroduction of anadromous fish on the main stem of the Columbia River to Canadian spawning grounds. This joint program would proceed on an incremental basis, beginning with reconnaissance-level investigation, and continue with implementation actions. All such federal actions at the Chief Joseph and Grand Coulee projects are subject to congressional authorization and appropriation.*

The Regional Recommendation also includes a section on "Domestic Matters to be Addressed Post-2013." There are seven listed topics in this section, none of which address fish passage.

The U.S. Entity's recommendations with regard to consideration of fish passage at Chief Joseph and Grand Coulee are very clear: 1) it should be a joint program with Canada, and 2) all actions should be subject to congressional authorization and appropriation.

## **Recent Actions of the Northwest Power and Conservation Council**

NRU is disappointed by the recent actions of the Council to promote the Upper Columbia United Tribes' three-phased investigation of reintroduction of anadromous fish above Chief Joseph and Grand Coulee dams. We are particularly chagrined that the individual members of the Council that participated in the development of the U.S. Entity's Regional Recommendation, and publicly supported it, are now promoting proposals through the Council's Fish and Wildlife Program amendments, which conflict with the U.S. Entity's Regional Recommendation. Just because the Council and State Department processes are separate, the issue of fish passage above Chief Joseph and Grand Coulee dams is very much linked together in the minds of the NRU members and others in the region. It is a distinction without a difference.

The Council's 2014 Fish and Wildlife Plan amendment process offered a "green light" for parties to advance proposals associated with reintroduction of anadromous fish. As a result, there is a proposal circulating in the region from tribal entities to investigate fish passage and

reintroduction into the U.S. and Canadian Upper Columbia River. While NRU has not directly participated in the discussions between the Tribes and Council on this topic, it is evident from the related documents that the Tribes are using the Council's planning process for seeking financial assistance from BPA to support their "Proposed Phase I Work Plan" related to reintroduction above Grand Coulee and Chief Joseph dams.

### **NRU's Request to BPA and the Corps of Engineers**

NRU continues to support the U.S. Entity's Regional Recommendation for the future of the Columbia River Treaty. All parties closely scrutinized the specific wording in the "Ecosystem-based Function" section, and the meaning is unambiguous. With regard to reintroduction in the upper Columbia, we should pursue a joint program with Canada, where all federal actions are subject to congressional authorization and appropriation. Neither of these criteria is satisfied by the Council's amendment language regarding reintroduction. Therefore, we strongly object to the use of any BPA or Corps funds to support the portion of the Council's Fish and Wildlife Program above Chief Joseph and Grand Coulee dams, including studies, transboundary reintroduction, and mainstem reaches and tributaries in the United States.

We understand that the proponents of such studies may only be seeking limited initial funding, for activities such as project coordination and travel. The Council may come up with suggestions as to how other Fish and Wildlife funds could be reprogrammed to accommodate such initial work without necessarily increasing the overall fish and wildlife budget. This issue for us is not how many dollars are needed to launch the first steps of a long-term initiative, but rather whether the initiative itself is congruent with a regional plan and appropriate for BPA ratepayer funding. The argument that the initial studies are relatively less expensive than later phases, and funds might be reprogrammed from other activities, is not a sufficient justification for initiating the Phase I study.

NRU supports the FCRPS Biological Opinion so that our carbon free hydroelectric resources meet their obligations for environmental stewardship as set forth in the implementation of the Endangered Species Act and Clean Water Act. NRU did not object to BPA's offering of the Columbia Basin Fish Accords with various Tribes and States. BPA's Integrated Program Review shows \$299 M in FY 2016 and \$307 M in FY 2017 for Fish and Wildlife and Lower Snake River Comprehensive Plan spending, representing about 17% of Power Services projected expenses. This is prior to consideration of foregone power sales revenues tied to mitigation measures, such as August spill, which cause BPA power rates to be higher than otherwise needed. For three of the next four years, BPA's projected Tier 1 rates for FY 2016 – FY 2019 are higher than market prices. We support environmental stewardship, but are sensitive to the economic impact in our communities of a projected 6.7% BPA wholesale power rate increase.

Grand Coulee and Chief Joseph dams are the workhorses of the FCRPS. The U.S. Entity was able to garner regional support with the understanding that the anticipated financial benefits from renegotiating the Columbia River Treaty with Canada would more than offset any costs of the

items listed in the Ecosystem-based Function. The Council's amendments relating to consideration of reintroduction undermines the regional recommendation because:

1. It is contrary to the stated language of the U.S. Entity's Regional Recommendation.
2. It is based on a questionable premise that reintroduced fish will respect international boundaries.
3. It doesn't address how reintroduction could impact the operation of the FCRPS facilities under the Biological Opinion.
4. It presumes commitments from federal agencies for activities that are out of the scope of BPA's obligations.
5. It fails to recognize the interests of power customers and the balance between hydro production and ecosystem-based functions carefully crafted in the Entity's Regional Recommendation.

### **Closing Comments**

We are disappointed that a majority of the members of the Council have put NRU in a position where we have to press the members of the U.S. Entity to apply the brakes to an untimely Council initiative. No BPA ratepayer funding should be spent on the Council's reintroduction-related initiatives above Grand Coulee and Chief Joseph dams unless it aligns with the region's recommendations for the Treaty. This is particularly important as the U.S. Entity in the midst of working with the State Department and a number of other federal agencies to develop a U.S. position for potential negotiations with Canada about the Columbia River Treaty. The potential impacts on power supply and the cost of BPA Tier 1 service are too important for us to ignore or simply defer to the approach the majority of Council members have currently charted.

Thank you for the opportunity to comment. We look forward to working with you and offer our support in pursuing a modernized Columbia River Treaty with Canada. If you have questions, please let me know.

Best Regards,



John D. Saven  
Chief Executive Officer

CC: Members of Northwest Requirements Utilities  
Members of the Northwest Power and Conservation Council  
Matt Wynne, Chairman, Upper Columbia United Tribes  
Paul Lumley, Executive Director, CRITFC  
Members of the Power Group