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NORTHWEST POWER PLANNING COUNCIL

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August 16, 1988

Dear Interested Party:

On August 10, 1988, the Northwest Power Planning Council adopted a proposal to designate some 44,000 miles of Northwest streams as "protected areas" because of their importance as critical fish and wildlife habitat.

The "protected areas" amendment is a major step in the Council's efforts to rebuild fish and wildlife populations that have been damaged by hydroelectric development. Low cost hydroelectric power has provided tremendous benefits to the Northwest, but those benefits have also imposed significant costs. The Northwest's fish and wildlife have suffered extensive losses; salmon and steelhead runs in the Columbia River drainage, for example, are a fraction of their former numbers. The region's concerted efforts to restore these populations could not be fully effective without strong protection for fish and wildlife habitat. The Council's goal of doubling salmon and steelhead runs in the Columbia River Basin will require hardy wild and natural fish populations, which rely on high quality habitat. To protect the ratepayers' investment in fish and wildlife restoration, it is necessary to protect the best remaining habitat.

The designation of protected areas is also intended to play a positive role in the efficient development of environmentally benign hydropower. Development of the region's most critical fish and wildlife habitat is likely to generate divisive, time-consuming and costly controversy. By identifying this habitat as "protected," the Council hopes to point developers to less sensitive areas, where the time and cost of development will be lower. Ratepayers should benefit from both more productive fish and wildlife investments and from lower development costs.

While the Council does not license hydroelectric development, certain federal agencies have a legal obligation to take the Council's action into account in their decision-making. Those agencies include the Federal Energy Regulatory Commission, which grants licenses for non-federal hydropower projects, and the Bonneville Power Administration, which acquires and transmits electrical power from the projects.

The final protected areas proposal, as adopted, is a formal amendment to both the Council's Columbia River Basin Fish and Wildlife Program, which covers the Columbia Basin, and to the Northwest Power Plan, which covers the entire states of Idaho, Oregon and Washington, and western Montana. The amendment is currently being revised to incorporate the changes made by the Council as a result of public comment. The final rule and the Council's response to comments on the proposal will be available in September. If you wish to receive these documents, please fill in and return the enclosed self-addressed, postage-paid postcard to the Council.

The following are the chief changes made in the final amendment:

- The Council adopted a single standard of protection: no new hydroelectric development should be allowed in protected areas. The original proposal included a less stringent standard for non-wild resident fish and wildlife (a showing of "no net loss"). The category of non-wild (e.g., hatchery) resident fish was eliminated because the record indicated that all areas being protected for resident fish contained wild species and were deemed high-value populations. All wildlife in protected areas are threatened, endangered, or species of special concern and are entitled to full protection.
- The Council reaffirmed its decision to designate protected areas in the Columbia River Basin under the authority of Section 4(h) of the Northwest Power Act, which deals with the Columbia River Basin Fish and Wildlife Program, and in other parts of the region under the authority of 4(e) of the Act, dealing with the regional power plan.
- The Council clarified that the protected areas designation only applies to new hydropower projects. It does not apply to existing hydroelectric projects, relicensing of existing hydropower projects, or adding hydropower to existing non-hydropower projects.
- The Council recognized that some applicants with projects pending before the Federal Energy Regulatory Commission have made substantial investments and have completed or nearly completed agreements with all interested parties. The Council recognized that the Commission may be obligated to complete its processes on these applications, but urged that, when possible, protected areas designation be taken into account to the fullest extent practicable.
- The Council included the Bureau of Reclamation and the U.S. Army Corps of Engineers (along with the Federal Energy Regulatory Commission and Bonneville) among those agencies to be guided by protected areas in their hydropower decision-making.
- The Council established procedures for reviewing exceptional projects that could provide exceptional benefits for fish or wildlife. (For example, a project that created upstream storage could improve flows for an entire stream.) Under these procedures, the Council could amend protected areas to allow projects that have exceptional benefits.
- The Council provided that the Bonneville Power Administration's reliance on protected areas inside the Columbia River Basin to limit access to its intertie (transmission line to California) was consistent with the Council's fish and wildlife program and its power plan, and recommended that Bonneville also deny access to projects in protected areas located outside the Columbia Basin.
- The Council also clarified the relationship between the "protected areas" amendment and the National Forest Management Act and the Federal Land Policy Management Act. The Council's proposal is not intended to address development other than hydropower.
- The Council also changed the process for protected areas amendments. Proposals to add or delete an area will be referred to the appropriate state fish and wildlife agency for review and comment. Proposed changes will be considered by the Council on a regular amendment

schedule. If a proposal requires faster action, the Council may initiate a special amendment process.

• The Council also included a process to review state and tribal river plans.

The Council derives its authority from the Northwest Power Act of 1980 (PL 96-501) which required the Council to develop a program to "protect, mitigate, and enhance fish and wildlife, including related spawning grounds and habitat" that had been affected by hydroelectric development in the Columbia River Basin. The Act also required the Council to develop an electric power plan for the entire Northwest that called for the development of resources that would be cost-effective and environmentally acceptable. The Council recognizes the enormous importance of hydroelectric power to the Northwest. Its intent is to focus developers on those areas with less critical fish and wildlife habitat. The protected areas mileage represents less than 20 percent of the Northwest's rivers and streams.

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Chairman

Enclosure

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