

Striking a Balance Between Energy and the Environment in the Columbia River Basin

Changing Bonneville's Role As Power Provider to the Northwest

Since its creation in 1937 to market the power from the Bonneville and Grand Coulee dams, the Bonneville Power Administration has been the single most important energy player in the Pacific Northwest. The agency originally provided public power to the farms and rural communities that private utilities found unprofitable to serve. This low-cost power helped to shape the economy and advance the growth of the region. Today, the agency markets the electricity generated from 31 dams on the Columbia River and its tributaries and one non-federal nuclear power plant. Bonneville provides about half the electricity used in the Northwest and operates over three-fourths of the region's high-voltage transmission.

Over the years, increasing demand for this low-cost power has, at times, placed the agency in precarious financial straits as it has tried to fulfill its traditional role as electricity provider to the region's public and private utilities, and the aluminum industry. In the mid-1990s, with Bonneville's rates above power market prices, the agency was pressured to allow its customers to purchase the lower cost electricity from the market. In 2000-2001, when market energy prices spiked over 400 percent, new and returning customers flocked back to buy lower cost power from Bonneville, forcing the agency to purchase additional supplies at extremely high prices. Bonneville's legal requirement to serve public utility loads, if

requested, resulted in a steep increase in its power rates.

"In essence, Bonneville was forced to bear the risks that should be the responsibility of its customer utilities," explains Terry Morlan, power division director for the Council. "The problem arises when the decisions made by individual utilities expose the agency, its utility customers, and the regional economy to financial hardship."

Compounding the challenge of allocating the low-cost power generated by the hydrosystem has been the need, particularly during Bonneville's recent financial difficulties, to defend the agency from critics who contend it is being subsidized by the federal government. Organizations like the Northeast-Midwest Institute and its congressional allies advocate privatizing Bonneville, or requiring it to sell its power at market prices to benefit U.S. taxpayers rather than selling it at cost to Northwest consumers. So far, the unified and vigorous efforts of the region's utilities, governors, congressional delegation, and the Council have successfully made the case that while construction of the Federal Columbia River Power System was financed by the federal government, the debt is being repaid by Northwest electricity users. But the lack of clarity about Bonneville's load obligation—whether it should be responsible for load growth in the region, or if individual utilities should be responsible for their own load growth—clearly presents financial risks to both the agency and the Northwest.



These long-standing issues have been debated in various processes. The most recent public process conducted by Bonneville is called the "Regional Dialogue." Through this process, the agency developed its draft policy,

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Washington Transfers Klickitat Hatchery To Yakama Nation; Fish Production Will Increase

The state of Washington has transferred one of its older fish hatcheries to the Yakama Nation, whose goal is to upgrade the facility on the Klickitat River in south central Washington and boost salmon and steelhead production in the Klickitat basin. The tribe is preparing a master plan for the facility, where future fish production and outplanting could lead to increased harvestable populations of spring and fall Chinook salmon in the lower reaches of the river, steelhead in the middle reaches of the river, and a sanctuary for wild spring Chinook and steelhead in the upper basin above Castile Falls.

Bill Tweit of the Washington Department of Fish and Wildlife praised the Yakama Nation for the fish-production practices that are helping rebuild salmon populations in the Yakima River, practices that will be utilized in the Klickitat River, as well.

“WDFW is interested in the opportunity to partner closely with the Yakama Nation, for several reasons,” Tweit said.



Adult Chinook salmon wait in a holding area at the hatchery before being spawned artificially.

“WDFW believes that having the Yakama Nation as a partner supporting appropriate levels of federal funding could help stem the diminishing tide of funding. We are certain that the hatchery will need upgrading to meet new management objectives for the Klickitat watershed in

the future. We have been very impressed by the results in the Yakima watershed from the Yakama Nation’s operations there, and we appreciate the expertise that the tribe brings to the Klickitat. This is also a positive relational step with the



Notes From the Chair

This summer, the Northwest will take a big step toward preserving the region’s low-cost electricity. The power generated by federal dams along the Columbia River and its tributaries has been key to the region’s economic growth since the late 1930s and remains so today. Ensuring that the benefits of the Federal Columbia River System do not erode over time has been a longstanding task of the Bonneville Power Administration and its stakeholders. With the release of its draft policy addressing how Bonneville will market federal power in the future, the Council believes that the agency has a good opportunity to forge a workable approach that can meet the needs of all Northwest interest groups while reducing risk to the region’s power supply.

We also highlight the Klickitat Hatchery, a facility funded by NOAA Fisheries under the Mitchell Act that has been in continuous operation since the early 1950s. Last spring, the hatchery celebrated its transition to co-management by the Yakama Nation. It affirms the successful collaboration between the tribe and the Washington Department of Fish and Wildlife to integrate hatchery reform measures with habitat protection. It’s another step in the region’s efforts to enhance fish and wildlife in the basin—and illustrates how important collaboration is to meeting our mutual goals.

And, in a look back at the beginning of the Council, a special interview with Washington Senator Daniel J. Evans provides insight into the creation of the Council and its mission. The senator served as the first chair of the Council, and as he notes at the end of his interview, “That’s what we were involved with, a remarkable start to the planning process that’s gone on now for 25 years.”

Yakama Nation, a recognition that we are partners as resource managers.”

Portions of both the Yakima and Klickitat rivers are within the Yakama Indian Reservation. Mel Sampson, the tribe’s Yakima-Klickitat Fisheries Project manager, said the Yakama Nation hopes that the hatchery transfer will lead to more fish production that will eventually lead to more fisheries for everyone. The transfer agreement continues public access to the area for fishing and rafting.

The Klickitat Hatchery, built by the state of Washington, began production in the early 1950s. The hatchery is located on the river 42 miles from its confluence with the Columbia. The facility was authorized under the Mitchell Act.

The Klickitat Hatchery is a component of the Columbia River Fisheries Development Program. Under state management, the hatchery produced fall and spring Chinook and coho salmon for fisheries in the Klickitat and Columbia rivers and in the ocean. The tribe plans to increase production of spring Chinook and steelhead and move coho production from the Klickitat Hatchery to a new production facility at Wahkiacus, 26 miles downstream.

Yakama Nation fish biologist Bill Sharp said that moving one half of the fall Chinook and all coho production downstream “would free up water and space at the Klickitat Hatchery and also reduce density-dependent impacts to juvenile spring Chinook and steelhead rearing in that 26-mile stretch of the river.” Sharp said that stretch has “some of the most complex mainstem habitat for rearing, and routinely has the highest concentration of spawning steelhead, an ESA threatened species.”

In collaboration with NOAA Fisheries, the tribe recently completed major fish-passage improvements at Castile Falls, at river mile 64. These will improve access to spawning habitat in the upper reaches

“The Klickitat Subbasin... could ‘have it all’ with respect to fisheries management opportunities.”


Independent Scientific Review Panel

of the basin for spring Chinook and steelhead. This should lead to increased production of those species in the wild, and therefore an opportunity to collect some of those fish for supplementation purposes — further increasing the populations by spawning the fish artificially and then releasing the progeny into the wild.

The expansion and related habitat restoration, monitoring, and evaluation will be partially funded by the Bonneville Power Administration through the Council’s Columbia River Basin Fish and Wildlife Program. Additional funding will be provided by NOAA Fisheries through the Mitchell Act, a federal law that provides funding to mitigate the impacts to fish from water diversions, dams on the mainstem of the Columbia River, pollu-

tion, and logging. Bonneville is required by law to fund the Council’s program, which is designed to protect, mitigate, and enhance fish and wildlife, and related spawning grounds and habitat, of the Columbia River Basin that have been affected by hydropower dams.

The tribe is seeking Bonneville funding through the Council’s fish and wildlife program over the next three years for five related projects to carry forward the planning, monitoring, evaluation, and other activities related to the hatchery. The Independent Scientific Review Panel, a committee of 11 scientists who review projects proposed for funding through the Council’s fish and wildlife program, recommended in June that the Klickitat projects go ahead if questions regarding fish production and the mixing of hatchery and wild stocks are answered adequately in the master plan.

In its review of the project proposals, the ISRP wrote: “The Klickitat Subbasin presents [Yakama] Tribal fisheries managers with a distinct, and possibly unique, opportunity to manage a system that could ‘have it all’ with respect to fisheries management opportunities.” 



The hatchery is located on a bend in the Klickitat River 42 miles upstream from its confluence with the Columbia.

Changing Bonneville's Role As Power Provider to the Northwest

(continued from front page)


released on July 13, regarding its role as a regional power provider. Perhaps the most important long-term decision made by the agency is to limit its sales of firm power at the lowest cost-based rates to the firm capability of the existing federal system, plus up to 300 average megawatts if loads exceed the system's capability in 2010. Customers choosing to purchase additional power from Bonneville will be able to buy it at a higher "tiered" rate that reflects the cost of power purchased or acquired to meet that additional load. This is a significant change from Bonneville's traditional role in power supply, which has been to be the region's primary new resource provider. By shifting the responsibility for load growth to its customers, Bonneville hopes to reduce its costs, financial risks, and power rates.

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Many stakeholders believe that the key to implementing this change is for Bonneville to sell the federal power through long-term, 20-year contracts. This would give each utility more certainty about how much low-cost power it will receive from Bonneville in the long term and at what cost. Bonneville's customers have expressed interest in taking on this

responsibility. By reducing the agency's role in acquiring new resources, the benefits of the Federal Columbia River System will be preserved for future generations.

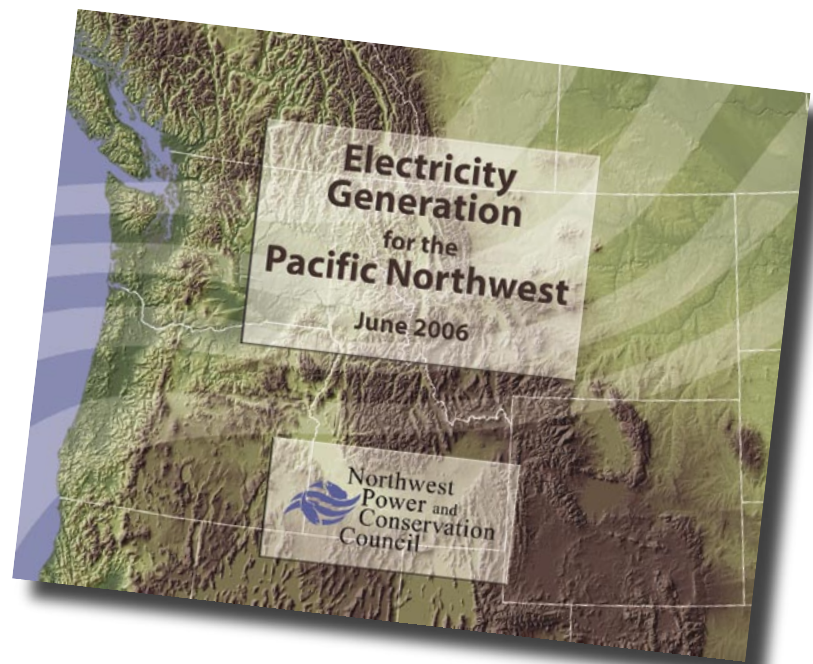
The complete policy proposal is available at www.bpa.gov/power/pl/regional-dialogue/07-2006_policy_proposal.pdf. A summary of issues in the proposal is available at www.bpa.gov/power/pl/regional-dialogue/07-2006_issue_summary.pdf.

Bonneville is asking for public comment through September 29, 2006. Comments can be submitted online at www.bpa.gov/comment; via mail to Bonneville Power Administration, Public Affairs Office - DKC-7, PO Box 14428, Portland, OR 97293-4428; or faxed to (503) 230-3285. You can also call toll free at (800) 622-4519. 

Now Available: Electricity Generation Brochure

Electricity Generation for the Pacific Northwest describes electricity generating plants in the Northwest, including type of plant, location, ownership, and maximum potential output. An online version of the brochure is posted on the Council's website, www.nwcouncil.org.

To receive a printed copy of the brochure, contact the Council at 800-452-5161 or send an e-mail to info@nwcouncil.org and request Council Document 2006-10.



Connecting Communities Through Education

The Northwest Power and Conservation Council is partnering with the Oregon Museum of Science and Industry on an educational project called Expedition Northwest. The program will offer training to teachers about water and water issues in the Pacific Northwest. Developed for 4th to 8th grade students, the curriculum is designed to provide a variety of science activities to foster understanding about the life, physical, and earth sciences. An interdisciplinary approach to teaching students about the importance of the watershed will integrate social studies, math, technology, and literature into their studies.

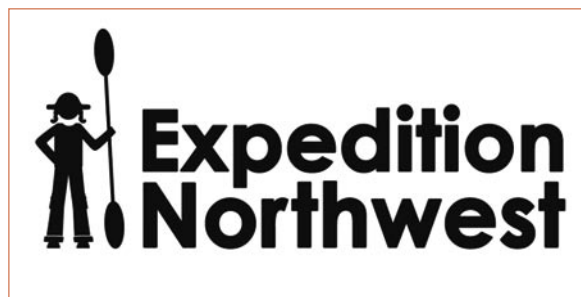
Along with professional development workshops for teachers, science materials and technology tools will be made available for schools and libraries. Multimedia tools such as digital labs, online data sharing, and live video and video-on-demand will also connect teachers and students to information. "This new supplemental curriculum combines the best of OMSI-developed, hands-on scientific inquiry activities with the latest multi-media tools to make learning really relevant and exciting," says Blair Baldwin, OMSI's distance education and professional development manager.

Expedition Northwest is funded through a grant from NASA to promote distance learning to rural public schools, libraries, and communities. It is a good fit with the Council's mission to educate the public about energy and fish and wildlife as the region tries to balance both resources.

"Placement of informational videos and materials in public libraries is an efficient way to reach a large portion of the rural population."

Lyn Craig, executive director

Along with offering OMSI expertise in developing its curriculum materials, the Council is working with the museum's staff to produce a simulation game of the




region's hydropower system. John Fazio, power system analyst for the Council, had developed a numerical model to "run the river." With the help of OMSI's technicians, a full-fledged game, with audio and visuals, will be available to classrooms and libraries throughout the region. "The digital simulation is more than just a fun game," notes Nate Lesiuk, OMSI's program developer for Expedition Northwest. "The simulation is based on real-world data and will get students thinking about

the decisions that are made by energy analysts every day."

Building on the project's partnership with libraries in rural communities, the Council has provided informational materials about the region's hydrosystem and fish and wildlife program. Videos and reading material will be on display at 46 libraries in eastern Oregon to help commemorate the 25th anniversary of the Northwest Power Act. Coordination of the exhibits is made possible through the Libraries of Eastern Oregon (LEO). "Placement of informational videos and materials in public libraries is an efficient way to reach a large portion of the rural population," says Lyn Craig, executive director of the nonprofit organization. "We're pleased to have resources about the Northwest Power Act so readily available to library patrons of all ages."

The Power Act designates energy efficiency as the resource of choice for the region and puts the needs of fish and wildlife on an equal footing with electricity production.

With the connections now established with educators and libraries in the region, the Council hopes to expand on this network to reach more people and encourage their involvement in energy and fish and wildlife planning. 

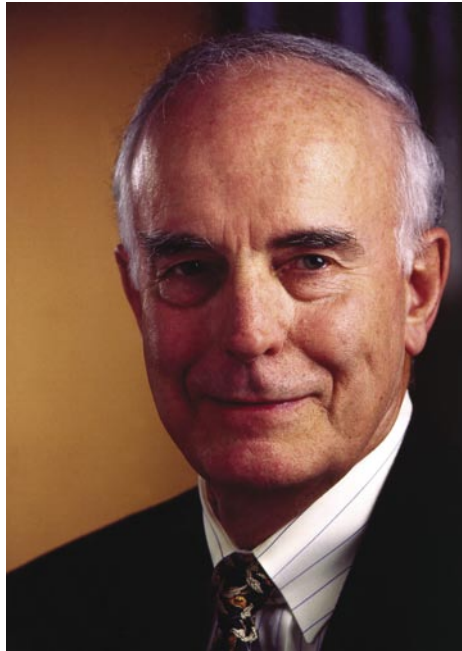
Northwest Q&A: Senator Daniel J. Evans

First Council Chair, Dan Evans, recounts early challenges of implementing the Power Act.

Daniel Jackson Evans served as the first chair of the Northwest Power and Conservation Council in the 1980s. During a long and distinguished career of public service, he served three terms as governor of the state of Washington from 1965 to 1977, and he represented the state in the U.S. Senate from 1983 to 1989.

Evans graduated from the University of Washington with degrees in civil engineering. A structural engineer by profession, Evans served in the Washington State House of Representatives from 1956 to 1965 before being elected governor. A Republican, Evans became known for his administration's progressive policies on environmental protection and strong support of the state's higher education system. He was a keynote speaker at the 1968 Republican National Convention. He served three terms as governor, the only three-term governor in Washington state history; he declined to run for a fourth term.

From 1977 to 1983 Evans served as the second president of The Evergreen State College in Olympia, Washington, which Evans created in 1967 by signing a legislative act authorizing the formation of the college. In 1983, Governor John Spellman appointed Evans to the U.S. Senate to fill a seat left vacant by the death of longtime senator, Henry M. "Scoop" Jackson. Evans won a special election later that year and filled the remainder of Jackson's unexpired term, retiring from politics after the 1988 elections.



Senator Dan Evans

After leaving the Senate in 1989, Evans founded his own consulting firm, Daniel J. Evans Associates. Governor Mike Lowry appointed him to the Board

Year of Celebration ~ 25th Anniversary NORTHWEST POWER ACT of 1980

of Regents of the University of Washington in 1993; Evans served as the board's president from 1996 to 1997, and in 1999 the Daniel J. Evans School of Public Affairs at the University was named for him.

How did the Council come into being?

Well, I think primarily there was a rising tide of unrest in the Northwest because as power planning became more and more of an issue, then the Bonneville Power Administration dominated the power planning of the Northwest, and there was no involvement of the states of the Northwest, for the people in the Northwest, in that power planning. That really gave rise to pressures on Congress, and it was Al Swift in the House of Representatives and Senator Jackson—Senator

Jackson primarily—who finally was able to put together in a very, very difficult environment, the Pacific Northwest Power Act of 1980.

What was Congress trying to accomplish by creating the Council?

I think they were responding to the desire in the Northwest for a voice in power planning that would be separate from, but allied with in some respects, Bonneville. In other words, it wasn't good enough for those of us in the Northwest to have an appointed federal official, the head of Bonneville, dictate the future of power planning in the Northwest. And so this body was created. It was interesting; I had a chance to talk [with Senator Jackson] on several occasions shortly after the initiation of the Council. The first thing you do, of course, is read the law to understand what you are operating under. And there were several parts of the law that were quite ambiguous.

When I talked to Senator Jackson, he just smiled and said "Well, that's the only way we could get the law passed,"—was to be ambiguous on some of these very controversial decisions, particularly

on where the power remained as far as ultimate decisions. It was probably the only way we could get started. And I think we worked pretty well. We had plenty of conversation and lots of contact with various officials, including the head of Bonneville. And I used to say that our relationship with Bonneville was one of creative tension. That probably describes it pretty well.

Remember, we started from scratch; it was absolutely fascinating to be involved in a brand new organization. The eight of us when we first met—two members from each of the four Northwest states, didn't really know each other, but I'll never forget the meeting the night before our first official meeting of the

Council. We gathered together, and this was the last time we could meet privately because we were not yet constituted as a public body.

At that time we decided—in fact the other members asked if I would serve as chairman—and then since it was a Washington chairman, the Oregon people wanted to have the headquarters located in Portland. So we arranged all of those kinds of things. But the interesting, first big decision was: What do we do about public meetings and private meetings. And the general thought was, gosh we can't just meet in public when we're developing a plan. If people get wild ideas and if you expose that publicly is it going to dampen people's originality? We talked about that for a long time that evening, and finally came down on the side of; let's just let it all hang out. And we decided to have two kinds of public meetings. If there were meetings of the Council, we would all sit around a table—and sometimes there were as many as 200 people listening and watching the meetings of the Council. But if it were a public hearing, then we would sit on one side of the table and listen to public testimony as you normally would.

The fascinating part of all of that is that it didn't inhibit anybody. We got very quickly into just having our meetings and throwing out ideas. The one thing we did establish, however, was a time at the end of each Council meeting for public comment. And so all those people who had been sitting there listening all during our meeting had a chance to publicly comment. And it turned out to be an extraordinarily beneficial kind of thing, because you had a couple hundred people thinking and working and then commenting. And we got a lot of good ideas that way. The whole idea of making it a public kind of enterprise in every respect was one of the first, best decisions we made.



The first Council in 1981. Front row, L to R: Herbert Schwab (OR), Dan Evans (WA), Robert Saxvik (ID), Keith Colbo (MT). Back row, L to R: Roy Hemmingway (OR), Chuck Collins (WA), Chris Carlson (ID), Gerald Mueller (MT).

What were the goals of the early power plans?

Well, we started out by really examining the law. We got so we were very familiar with every word of that law because we started with a clean sheet of paper. That's rare that you come into an organization that way. You usually have predecessors who have given guidance, and you have to follow and move if you can away from some of those previous things. But we didn't have to do that.

We divided into what we fondly called the power four and the fish four. And so one member from each state was on the fish plan, one member from each state on the power plan. My colleague from the state of Washington, Chuck Collins, turned out to be on the power plan, and was a very, very big influence on the first power plan. He had lots of extraordinarily good ideas that led us to what I thought was a very innovative power plan. And I was on the fish four, and so we spent a lot of time with Indian tribes, commercial fishermen, sport fishermen, people all

throughout the Northwest, all of whom had very different ideas about what we should do about fish and wildlife. While we were building these plans in parallel, we were also interconnecting regularly. [During our meetings], one day the two teams would work separately, and then we would get together and have a meeting of the whole group in a very public session. It worked to keep us together so everybody knew pretty much what was going on in the other arena.

How unusual is the Council's mandate: to balance both energy and fish and wildlife needs?

I'm not aware—at least at the time we started—I don't think that I remember any other place in the country where there was an official group really working with those two very—seemingly very different—kinds of things in concert. But of course, the Northwest is different than most other parts of the country in our big dependence on hydroelectric power.

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Northwest Q&A: Senator Daniel J. Evans

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And of course hydroelectric power, by its very nature, has a big influence on fish runs. So our circumstances were quite different, I think, than most other parts of the country. It brings into power decision-making the ideas and the desires of those who live here, rather than having them imposed from the top by someone who is heading Bonneville, a federal agency that may or may not really be sensitive to the needs of each part of the Northwest. So I think that [the Council] has a very big role to play.

And as I say, the contact with Bonneville has been one of creative tension; at least it was, I don't know quite what it is now, but I suspect it's pretty much the same. And Bonneville, they kind of bristled at times under the power plan that we came up with and what we were suggesting. But the law did say that before Bonneville went into [developing] any big, new facility or power producing facility, they had to run it by the Council. And of course, Bonneville at times tried to figure out how they could just get under the wire and do a whole series of smaller things so they didn't have to come to the Council, so we had some "Come to the Lord" meetings with Bonneville, I think. Finally, we got to a working relationship where they realized that they had to work with us, and pay attention to us as they were going through their plans.

The first power plans early on really focused very, very heavily on conserva-


"We very quickly got into—we're representing the Northwest and we're trying to figure out what is best for the Northwest."

Senator Daniel J. Evans

tion. We came up with this concept of least-cost power, and from that we concluded that even though, at that time, nuclear power looked like it was cheaper than some of the other kinds of power, the length of time it took between initiation and actual production of power was so long, so far in the future, you couldn't determine even whether the power was going to be needed or not. So that dropped it quite heavily in terms of priority. And what came up to the top very quickly was a whole series of conservation measures. And remember that 25 years ago, most of the homes that had been built in the Northwest were electrically heated and not insulated. Power was so cheap that it was really more efficient to warm the outside than to insulate your home. We found that by far the cheapest thing to do [was to invest in conservation measures], and we got a lot of power reduction in the early days out of going through a massive program of insulating homes, doing the things that would make power delivery much more efficient,

and that worked to create a whole new ethic, I think in the Northwest that hadn't existed before.

Why do you think the Council is important to the region?

It was one of the most fascinating experiences I had. We were hooked together, eight of us to start the Council. The eight were a remarkably together group. We represented a wide variety of backgrounds, and we very quickly got away from the fact that I was representing Washington, and someone was representing Idaho. We very quickly got into—we're representing the Northwest and we're trying to figure out what is best for the Northwest. I brought to the Council my experience at The Evergreen State College where they worked on the whole idea of consensus. And you kept working and working and working until you got people together. And that's what we did all the way through our development of the plans. When we got to the final votes, as I remember the fish plan was unanimous, and the other plan had a couple votes against it just on one issue, and then finally it was adopted unanimously. So it was a great effort by some remarkably talented people. I give great credit to the four governors at the time for picking people who had the ability and opportunity to work together and to create, I think, a remarkable start—because that's what we were involved with, a remarkable start to the planning process that's gone on now for 25 years. 

Success Stories — Sandy River

Sandy River delta wildlife project provides restored habitat near Portland urban area.

Twenty miles east of Portland, at the confluence of the Sandy and Columbia rivers, the U.S. Forest Service is working to restore 1,500 acres of wetlands, meadows, and riverfront forest for the benefit of fish and wildlife. People are benefiting, too, as the area is easily accessible from Interstate 84 and provides a quiet, open area for hiking and bird-watching that is just a short drive from the densely populated urban area.

Historically, the delta was a mixture of forest, wetlands, meadows, and small lakes. With the arrival of Euro-American settlers in the mid-1800s, dikes were built to hold back annual spring floods and the area was used for grazing livestock. Later, construction and operation of dams on the Columbia and Sandy rivers upset the natural disturbance regime caused by river-level fluctuations, and this affected plant, animal, and insect life. Over time, grazing declined and weeds, thistles, blackberry vines, and other noxious plants invaded the area.

The Trust for Public Land acquired the delta in 1991 from Reynolds Aluminum, which operated a smelter in nearby Troutdale. The Trust then transferred ownership to the Forest Service, which developed a master plan and environmental impact statement that describe the ongoing and anticipated restoration and recreational activities.

Today the Sandy River delta is an environmental restoration project funded by the Bonneville Power Administration through the Council's fish and wildlife program, and many other partners. The goal of the project is to restore the delta to its historic character — riverfront forest, wetlands, ponds, sloughs, prairies, and floodplains.



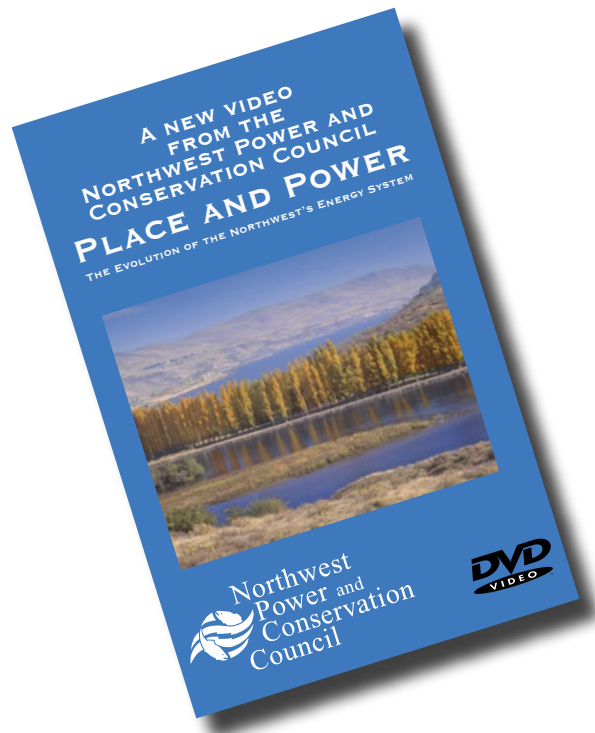
In its review of the Forest Service's request for funding to continue the work during the next Bonneville rate period, fiscal years 2007-2009, the Independent Scientific Review Panel (ISRP) commented: "The project is directed at restoring diverse floodplain and river channel habitat that, if accomplished, could benefit both important terrestrial species and fish. The need for such restoration projects is clear, given the scarcity of large floodplain areas in the Portland area."

Since 1997, when the restoration work began, the focus has been on removing unwanted vegetation, re-planting the forest with dense stands of black cottonwood, willows, and ash, and restoring wetlands. Ultimately, the Forest Service plans to remove a dam that was built across the Sandy River in the 1930s. Removing the dam would help restore natural hydrologic conditions in the delta and also improve salmon and steelhead habitat in the Sandy River estuary.



This field was replanted with native grasses and trees.

New DVD Available on the History of the Regional Power System

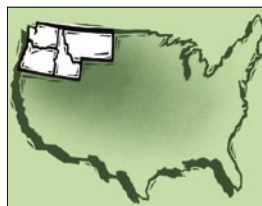


Place and Power: The Evolution of the Northwest's Energy System focuses on the development of the Northwest's power system from the construction of major dams along the Columbia River to the present day. The video provides a comprehensive overview of the intersection between energy and the environment and the role of the Northwest Power and Conservation Council to reach a sustainable balance between the needs of fish and wildlife and the human demand for electricity.

Included in the package is a second disc containing extended interviews with eight key individuals who have unique perspectives on Northwest energy issues.

Please contact the Council's Public Affairs division to obtain a free copy.

Telephone 1-800-452-5161 or e-mail dvd@nwcouncil.org



Council Decisions

Northeast Oregon Hatchery

May

The Council authorized construction of a fish hatchery and related facilities in Northeastern Oregon to improve the production of a threatened species, spring Chinook salmon in the Imnaha and Grande Ronde rivers. The new facilities will augment fish production that already is occurring at Looking-glass Hatchery, which is operated by the Oregon Department of Fish and Wildlife as part of the Lower Snake River Compensation Plan of the U.S. Fish and Wildlife Service. Following the Council's recommendation, the Bonneville Power Administration decided to put the project on hold, probably until 2007, pending an assessment of the overall biological benefits of the project.

Power System Adequacy Standard

The Council adopted a regional standard to ensure an adequate energy

supply for the Pacific Northwest. This is the first formally adopted energy standard in the region's history. In developing the standard, the Council and the Bonneville Power Administration established the Pacific Northwest Resource Adequacy Forum, a group that involves representatives from regional utilities, public utility commissions, and public interest groups. The Council adopted the standard for its own power planning process and is recommending that utilities and public entities in the region incorporate it into their planning efforts. This new regional standard is expected to be incorporated into the west-wide electricity reliability assessments required in national energy legislation recently enacted by Congress.

Wind Power Confirmation Workshops

June

The Council and the Bonneville Power Administration agreed to coordinate a series of workshops this summer

and fall to explore the technical and energy-policy issues that arise from the rapid integration of renewable resources into the region's power supply, which is dominated by hydropower but also includes coal, natural gas, and nuclear power. Representatives of electric utilities, renewable energy developers and proponents, environmental groups, state public utility commissions, and others will be invited to take part in the workshops.

Mainstem Peer Review Group

The Council approved a letter asking the Independent Scientific Review Board, a panel of 11 scientists who advise the Council and NOAA Fisheries, to create and oversee a "mainstem fish-passage peer review group." The peer review group would be available as needed to review specific scientific and technical questions and issues regarding the relationship of fish and wildlife to mainstem reservoir and dam passage operations on the Columbia and Snake rivers.

Letter to the Editor:

In your Spring 2006 issue — the article on decoupling sales from revenues to encourage utility energy efficiency (EE) investments — Ralph Cavanagh, NRDC, □
partners on energy efficiency when their financial health is tied to how much electricity they sell?"

What's missing □
growth and replacement □
overarc □

The most fundamen □
in California, are aut □
less in the next decade. Wit □
base, while downgrading efficiency, particularly when it dampens peak load growth.

IOU energy efficiency incentives, including decoupling, cannot be set in a vacuum. Giving IOUs EE incentives that are comparable to supply-side alternative □
without conflict □
dous opportuniti □
remains intact.

Bill Marcus, JBS Energy, Inc.

Cynthia Mitchell, Energy Economics, Inc.

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