

Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WILDLIFE

April 10, 2007

In reply refer to: KE-4

Dr. Tom Karier, Chair
Northwest Power & Conservation Council
851 SW Sixth Avenue, Suite 1100
Portland, OR 97204-1348

Dear Dr. Karier:

As a follow-up to the Bonneville Power Administration's (BPA) programmatic decision (February 9, 2007) for the fish and wildlife protection, mitigation, and enhancement project proposals as recommended by the Northwest Power and Conservation Council (Council) for implementation of the *Columbia Basin Fish and Wildlife Program* (Program) during Fiscal Years (FY) 2007-2009, this letter covers our implementation decision for projects that meet BPA's definition for capital spending. The enclosure shows both capital and expense decisions for these projects as many have both financial components. In some cases, mitigation activities such as tributary fish passage projects within the same watershed, have been combined and may be described under a single or new project number.

We propose that our respective staffs continue to work together to prioritize a schedule for implementation of these capital projects across Fiscal Year 2007-2009 to help us manage within the \$36 million available each year. This is of particular importance given that the sum total of the capital budgets for these projects is well in excess of the \$36 million/year budget. You may recall that in 2003 and 2004 we worked collaboratively with Mark Fritsch, central Council staff, the Columbia Basin Fish & Wildlife Authority, and others to help evaluate estimate costs and schedules for implementation consistent with the timeframe of the Council's Three Step Process. We propose that we again use a similar process to better define scheduling and budgets for timely implementation of capital projects over the next three years.

Please contact me if you have questions about this letter or the enclosed document, and if you wish to discuss any of the issues associated with BPA's final programmatic decision for the capital portion of the Program.

Sincerely,



Gregory K. Delwiche
Vice President, Environment, Fish and Wildlife

Enclosure

Proposal #	Proposal Title	Organization	FY06 SOY	Council Rec FY 07 (exp)	Council Rec FY 08 (exp)	Council Rec FY 09 (exp)	Council Rec FY 07 (cap)	Council Rec FY 08 (cap)	Council Rec FY 09 (cap)	BPA 07 Project-Year Budget (Expense)	BPA 08 Project-Year Budget (Expense)	BPA 09 Project-Year Budget (Expense)	BPA 07 Project-Year Budget (Capital)	BPA 08 Project-Year Budget (Capital)	BPA 09 Project-Year Budget (Capital)	BPA Project-Specific Comments
198805301	Grande Ronde/Imnaha Endemic Spring Chinook Supplementation – Northeast Oregon Hatchery	Nez Perce Tribe	\$ 5,000,000	\$ -	\$ -	\$ 319,570	\$ 7,492,439	\$ 8,804,000	\$ 147,000	\$ -	\$ -	\$ 319,570	\$ 2,000,000	\$ 14,173,332	\$ 5,544,851	Out-year budgets will be reviewed through the three-step process.
198805305	Northeast Oregon (NEOH) Outplanting Facilities Master Plan	Oregon Department of Fish & Wildlife (ODFW)	\$ 30,000	\$ -	\$ -	\$ -	\$ 18,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,870	\$ -	\$ -	Close out as individual project. Fund amount needed for coordination in 2008-2009 with ODFW under 1998-053-01.
198805315	Hood River Artificial Production Construction	Oregon Department of Fish & Wildlife (ODFW)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 200,000	\$ 900,000	FY08 and FY09 are estimates that will be reviewed in the three-step process.
198811535	Klickitat Fishery YKFP Design	Yakama Confederated Tribes	\$ -	\$ 350,000	\$ 350,000	\$ 350,000	\$ 2,500,000	\$ 5,000,000	\$ 5,000,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 2,500,000	\$ 5,000,000	\$ 5,000,000	To address in lieu concerns, out-year cost sharing with NOAA will be explored. Out-year budgets will be reviewed through the three-step process.
199106200	Spokane Tribe Wildlife Mitigation	Spokane Tribe	\$ 2,600,000	\$ 110,000	\$ 113,300	\$ 116,700	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 2,250,000	\$ 2,250,000	\$ 2,250,000	
199202601	Grand Ronde Model Watershed Program Habitat Restoration - Planning, Coordination and Implementation	Grand Ronde Model Watershed Foundation	\$ 1,343,166	\$ 1,183,849	\$ 1,183,849	\$ 1,183,849	\$ -	\$ -	\$ -	\$ 1,554,849	\$ 1,713,849	\$ 1,683,849	\$ 66,000	\$ 950,000	\$ 500,000	Augmentation above Council recommendation is for ESA high-priority basins only, with focus on priority limiting factors from recovery plan. Implementation will occur after new Biological Opinion is finalized. BPA funding is contingent on confirmation of 30% programmatic cost-share from the U.S.D.A Forest Service as per the Partnership Agreement, November 21, 2005. (USFS Projects 30%)
199205900	Amazon Basin/Eugene Wetlands -	Nature Conservancy	\$ 82,712	\$ 98,764	\$ 108,766	\$ 91,267	\$ -	\$ 475,000	\$ -	\$ 98,764	\$ 108,766	\$ 91,267	\$ -	\$ -	\$ -	Project does not meet BPA's capital policy.
199206100	Albeni Falls Wildlife Mitigation	Albeni Falls Interagency Work Group	\$ 6,700,000	\$ 2,029,297	\$ 2,183,022	\$ 2,392,004	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 2,029,297	\$ 2,029,297	\$ 2,029,297	\$ 7,504,340	\$ 6,000,000	\$ 6,000,000	Increase in '07 reflects BPA commitment to fund delayed acquisition of Cougar Creek due to BPA's risk of overspending its capital budget in '06.
199206800	Willamette Basin Mitigation	Oregon Department of Fish & Wildlife (ODFW)	\$ 1,620,000	\$ 760,657	\$ 694,143	\$ 706,310	\$ 2,000,000	\$ 3,250,000	\$ 3,250,000	\$ 760,657	\$ 694,143	\$ 706,310	\$ 3,600,000	\$ 3,900,000	\$ 1,000,000	Change in scheduling of annual budget is due to timing of acquisitions.
199306600	Oregon Fish Screens Project	Oregon Department of Fish & Wildlife (ODFW)	\$ 800,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 1,006,400	\$ 1,064,700	\$ 1,027,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 1,006,400	\$ 1,064,700	\$ 1,027,000	
199505702	Southern Idaho Wildlife Mitigation	Shoshone-Bannock Tribes	\$ 297,295	\$ 380,000	\$ 395,000	\$ 395,000	\$ 1,670,000	\$ 1,655,000	\$ 1,655,000	\$ 380,000	\$ 380,000	\$ 380,000	\$ 1,670,000	\$ 1,655,000	\$ 1,655,000	Project decision is contingent on favorable ISRP and Council review of revised proposal.
199505703	Southern Idaho Wildlife Mitigation	Shoshone Paiute Tribes	\$ 81,929	\$ 100,000	\$ 100,000	\$ 100,000	\$ 2,481,215	\$ 2,564,071	\$ 2,568,763	\$ 100,000	\$ 100,000	\$ 100,000	\$ 2,481,215	\$ 2,564,071	\$ 2,568,763	Negotiation of an MOA is underway.
199802100	Hood River Fish Habitat	Confederated Tribes of Warm Springs Reservation of Oregon	\$ 699,626	\$ 212,852	\$ 169,825	\$ 161,799	\$ 487,000	\$ 530,000	\$ 538,000	\$ 139,000	\$ 139,000	\$ 139,000	\$ 560,626	\$ 560,626	\$ 560,626	Consistent with overall FY06 for project.
200200300	Secure & Restore Resident Fish Habitat	Salish & Kootenai Confederated Tribes	\$ 7,000,000	\$ -	\$ -	\$ -	\$ 5,265,000	\$ 5,905,000	\$ 5,911,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 5,265,000	\$ 5,905,000	\$ 5,911,000	Expense budget is for pre-acquisition functions that support capital acquisition funds. Negotiation of MOA is underway.
200202501	Yakima Tributary Access & Habitat Program	South Central Washington Resource Conservation and Development	\$ 880,000	\$ 466,666	\$ 466,666	\$ 466,666	\$ 600,000	\$ 600,000	\$ 600,000	\$ 121,726	\$ 121,726	\$ 121,726	\$ 758,274	\$ 758,254	\$ 758,254	BPA's decision to fund the project at \$880,000 per year reflects FY06 funding level.
200302300	Chief Joseph Hatchery Program	Colville Confederated Tribes	\$ 1,600,000	\$ -	\$ -	\$ -	\$ 2,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,800,000	\$ 16,313,000	\$ 11,173,000	Out-year budgets may be revised depending on construction initiation date.
200702700	Colville Confederated Tribes Acquisition Project	Colville Confederated Tribes	\$ -	\$ 129,000	\$ 129,000	\$ 129,000	\$ 1,371,000	\$ 1,371,000	\$ 1,371,000	\$ 129,000	\$ 129,000	\$ 129,000	\$ 1,371,000	\$ 1,371,000	\$ 1,371,000	
200711200	Teanaway Watershed - Protect critical habitat from development, reduce water temperatures and increase instream flows, restore habitat forming processes in the floodplain.	Kittitas Conservation Trust	\$ -	\$ 340,000	\$ 340,000	\$ 340,000	\$ 1,024,000	\$ -	\$ -	\$ 340,000	\$ 340,000	\$ 340,000	\$ -	\$ -	\$ -	The activities recommended as capital (land acquisition for anadromous fish) do not meet BPA's capital criteria.
200712000	Malheur Subbasin Habitat Restoration and Fish Enhancement – Logan Valley Project	Burns Paiute Tribe	\$ -	\$ 29,209	\$ 91,206	\$ 104,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Project does not meet BPA's capital policy.

200717100	Malheur River Subbasin Habitat Restoration and Fish Enhancement—Stinkingwater Project	Burns Paiute Tribe	\$ -	\$ 65,560	\$ 99,972	\$ 194,887	\$ 3,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Project does not meet BPA's capital policy.
200721200	Develop a locally-adapted summer steelhead program to supplement natural production throughout the Okanogan River basin	Colville Confederated Tribes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,130,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	Funded as part of the agreement on 2007 FCRPS interim operations. See letters from BPA to each affected tribe dated December 15, 2006, which commits funds only through Sept. 30, 2007.
200723200	Okanogan-Similkameen Habitat Protection Project - Fish and wildlife habitat protection through fee simple and conservation easement purchases.	Washington Department of Fish and Wildlife (WDFW)	\$ -	\$ -	\$ -	\$ -	\$ 625,000	\$ 877,000	\$ 878,000	\$ -	\$ -	\$ -	\$ 625,000	\$ 877,000	\$ 878,000	FY07 funding contingent on availability of Habitat Units for wildlife. Anadromous fish habitat acquisitions cannot be capitalized as per BPA's capital policy.
200726000	Acquisition of a Conservation Easement over 1084 acres of Upland Prairie and Oak Habitat, Willamette Subbasin	Nature Conservancy	\$ -	\$ 68,500	\$ 10,000	\$ -	\$ 4,900,500	\$ -	\$ -	\$ 68,500	\$ 10,000	\$ -	\$ 4,900,500	\$ -	\$ -	
200728800	Touchet Eastside and Westside Irrigation District Piping	Walla Walla County Soil & Water Conservation District (SWCD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
200731600	McKenzie Canyon Irrigation Project	Deschutes River Conservancy	\$ -	\$ -	\$ -	\$ 30,000	\$ 660,000	\$ 660,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Project is above non-FCRPS dams that block anadromous fish passage.
200739600	Walla Walla Basinwide Tributary Passage and Instream Flow	Walla Walla Basin Watershed Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Projects combined under this project number are 1996-011-00, 2002-036-00, and 2007-330-00.
200739700	John Day Tributary/Passage & Flow	Confederated Tribes of Warm Springs Reservation of Oregon	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Projects combined under this project number are 1998-017-00, 1998-018-00, and 2007-365-00
200739800	Yakima River Basinwide Tributary/Passage & Flow	Kittitas County Conservation District	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Projects combined under this project number are 2002-025-01, 2003-001-00, and 2007-020-00
200739900	Upper Salmon Screen Tributary Passage	IDF&G	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Projects combined under this project number are 1994-015-00, 2007-268-00, and 2007-394-00
TOTAL			\$ 28,734,728	\$ 6,334,354	\$ 6,444,749	\$ 7,091,052	\$ 49,051,424	\$ 41,005,771	\$ 32,325,763	\$ 6,891,793	\$ 6,335,781	\$ 6,610,019	\$ 44,554,081	\$ 70,932,339	\$ 52,726,350	

Proposal #	Proposal Title	Organization	FY06 SOY	Council Rec FY 07 (exp)	Council Rec FY 08 (exp)	Council Rec FY 09 (exp)	Council Rec FY 07 (cap)	Council Rec FY 08 (cap)	Council Rec FY 09 (cap)	Three-Year Capital Total	BPA 07 Project-Year Budget (Expense)
199401500	Idaho Fish Screening and Passage Improvements	Idaho Department of Fish & Game	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 834,740	\$ 834,740	\$ 834,740	\$ 2,504,220	\$ 200,000
199601100	Walla Walla Juvenile and Adult Passage Improvements	Confederated Tribes of the Umatilla Indian Reservation	\$ 317,000	\$ 37,000	\$ 37,000	\$ 37,000	\$ 235,000	\$ 915,000	\$ 1,375,000	\$ 2,525,000	\$ 37,000
199801700	North Fork/Mid-John Day Fish Passage Improvement	Monument & Wheeler SWCDs	\$ 105,134	\$ 93,129	\$ 93,129	\$ 93,129	\$ 423,666	\$ 405,591	\$ 320,120	\$ -	\$ -
199801800	John Day Watershed Restoration	Confederated Tribes of Warm Springs Reservation of Oregon	\$ 600,000	\$ 257,800	\$ 257,800	\$ 257,800	\$ 753,416	\$ 704,185	\$ 666,131	\$ 2,123,732	\$ 350,929
200203600	Restore Walla Walla River Flow	Walla Walla Basin Watershed Council	\$ -	\$ 30,000	\$ 30,000	\$ 30,000	\$ 1,152,000	\$ -	\$ -	\$ 1,152,000	\$ 63,000
200300100	Manastash Crk Passage & Screening Chg: Manastash Crk Passage, Screening, and Flow Enhancement (incorporates 2007-020-00)	Kittitas County Conservation District	\$ 400,000	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 1,500,000	\$ 346,392
200733000	Gardena Farms Irrigation District Irrigation Efficiency and Instream Flow Project	Gardena Farms Irrigation District		\$ -	\$ -	\$ -	\$ -	\$ 1,086,500	\$ -	\$ 1,086,500	\$ -
200736500	Canyon Creek Culvert Replacements	Malheur National Forest	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -
TOTAL			\$ 2,422,134	\$ 417,929	\$ 417,929	\$ 417,929	\$ 4,098,822	\$ 4,446,016	\$ 3,695,991	\$ 11,091,452	\$ 997,321

Proposal #	Proposal Title	BPA 08 Project-Year Budget (Expense)	BPA 09 Project-Year Budget (Expense)	BPA 07 Project-Year Budget (Capital)	BPA 08 Project-Year Budget (Capital)	BPA 09 Project-Year Budget (Capital)	Three-Year Capital Total
199401500	Idaho Fish Screening and Passage Improvements	\$ 200,000	\$ 200,000	\$ 1,300,000	\$ 1,430,000	\$ 1,000,000	\$ 3,730,000
199601100	Walla Walla Juvenile and Adult Passage Improvements	\$ 37,000	\$ 37,000	\$ 235,000	\$ 915,000	\$ 1,375,000	\$ 2,525,000
199801700	North Fork/Mid-John Day Fish Passage Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
199801800	John Day Watershed Restoration	\$ 350,929	\$ 350,929	\$ 1,377,082	\$ 1,377,082	\$ 1,377,082	\$ 4,131,246
200203600	Restore Walla Walla River Flow	\$ 63,000	\$ 63,000	\$ 1,152,000	\$ -	\$ -	\$ 1,152,000
200300100	Manastash Crk Passage & Screening Chg: Manastash Crk Passage, Screening, and Flow Enhancement (incorporates 2007-020-00)	\$ 346,542	\$ 343,062	\$ 262,154	\$ 1,697,124	\$ 368,154	\$ 2,327,432
200733000	Gardena Farms Irrigation District Irrigation Efficiency and Instream Flow Project	\$ -	\$ -	\$ -	\$ 1,086,500	\$ -	\$ 1,086,500
200736500	Canyon Creek Culvert Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 997,471	\$ 993,991	\$ 4,326,236	\$ 6,505,706	\$ 4,120,236	\$ 14,952,178