

*In-Lieu/Resident Fish Substitution* – The RFAC tasked Neil Ward with developing a response for review by the participants. Neil provided the participants with a copy of this document on April 12, 2007. Pending RFAC approval, Jim Uehara will present the memo to the MAG on April 24, 2007.

On February 9, 2007, the Bonneville Power Administration (BPA) released the report “*BPA Fish and Wildlife Program Implementation Fiscal Years 2007-2009*” that included a final in-lieu assessment for proposals solicited for implementation through the Northwest Power and Conservation Council’s (NPCC) Columbia Basin Fish and Wildlife Program (Program) during Fiscal Years (FY) 2007-2009. The BPA recommended that “projects with persistent and on-going in-lieu concerns” should be “ramped down to 85 percent of historic funding levels beginning in FY09, both as an impetus to address funding responsibilities that may have been inappropriately borne by BPA, and as a stimulus to promote more robust cost-sharing.”

Proposals for six on-going resident fish projects, that received favorable funding recommendations from the NPCC, were assessed an in-lieu rating of “3” by the BPA. Consequently, the BPA’s determination could lead to a ramping down, of funds, to 85 percent of the historic funding levels for these on-going projects. In addition, two new-project proposals that also received favorable recommendations from the NPCC received an in-lieu rating of 3. The BPA’s belief that an in-lieu condition exists, relative to each of these proposed projects and coupled with the lack of past financial investments, resulted in zero funds being allocated to these new efforts.

The eight proposals that received an in-lieu rating of 3 represent efforts that are or would have been implemented above Chief Joseph and Hells Canyon dams. The framework for the resident fish section of the NPCC’s Program provides for the substitution of lost anadromous fish and as well as mitigation for resident fish losses due to hydro-development and operations. The program provides for mitigation in areas blocked to salmon and steelhead through the use of approaches that are flexible to ensure that programs are developed to provide resident fish substitution where in-kind mitigation cannot occur.

On February 9, 2007, the BPA released, but later retracted, “*History and Synopsis of Bonneville Power Administration’s Fish and Wildlife Mitigation.*” In this document, BPA provide opinions relative to their perceived mitigation responsibilities associated with the FCRPS. Those opinions included that they “mitigate for the FCRPS only” and to “emphasize strategies and projects that mitigate FCRPS impacts directly.” The NPCC’s 1987 and 2000 programs have identified the estimates of FCRPS-related losses for anadromous fish in portions (i.e., blocked areas) of the basin for which steelhead and salmon have been extirpated due to the FCRPS. Annually, >3 million anadromous fish returned to the Upper Columbia River. In the Snake River, > 2 million steelhead and salmon returned annually to the area that is now blocked by Hells Canyon Dam.

Although the reservoirs (e.g., Lake Rufus Woods, Lake Roosevelt, etc.) associated with the FCRPS provide fisheries, those fisheries have limitations and singly or combined are unable to match the number of anadromous fish that returned to these areas.

Consequently, resident fish managers have resorted to implementing activities, to improve conditions for resident fish, away from the site of the hydroelectric projects as part or total compensation for the effect of hydro-development and operations (i.e., off-site mitigation) .

Because the eight projects proposals, that received a ranking of 3, are not directly associated with the FCRPS facilities and its respective reservoirs, the BPA has deemed the efforts in-lieu. The BPA suggested that project proposals that received an in-lieu rating of 3 should “depend upon substantial cost-sharing from other parties more directly responsible for the impacts being mitigated.” The Resident Fish Advisory Committee (RFAC) challenges the BPA’s cost-share and in-lieu assertions on the premise that the proposed efforts have a discernable direct link to FCRPS facilities that eradicated salmon and steelhead from their historic range of distribution.

The BPA has indicated an interest in initiating discussion with the region this year to establish further guidance for project-specific cost-share and other resolutions of in-lieu issues. The RFAC requests that Members Advisory Group consider initiating discussions with the BPA regarding these issues. The future implementation of several resident fish projects is dependent on these discussions. The RFAC appreciate your consideration.