

Columbia-Snake River Irrigators Association
Eastern Oregon Irrigators Association
Policy Memorandum

Distribution: Pasco Federal Caucus Hearing Presentation

DATE: February 17, 2000

TO: Federal Caucus Agencies: U.S. Army Corps of Engineers,
Bonneville Power Administration, U.S. Bureau of Reclamation,
National Marine Fisheries Service, U.S. Fish & Wildlife Service

FROM: CSRIA Board of Directors
EOIA Board of Directors

SUBJECT: Summary Comments On: Corps Snake River Drawdown EIS,
Federal Agency "All-H" Paper, John Day Dam Breaching
Study-Phase I, NPPC Framework Review

Regional Policy Implications For Salmon Recovery:

- The federal agencies' ten-year focus on river drawdowns and dam breaching has seriously impaired their credibility and misdirected tens-of-millions of dollars that could have been used for "real" salmon recovery actions and projects. The agencies have failed to make an environmental or economic case for the benefits of dam breaching, much less a case for repeating the "dam" studies. The drawdown/breach issue has been the single greatest impediment to implementing regional salmon recovery measures.
- During the past ten years, the Corps and NMFS have held more than a dozen public meetings in the Columbia Basin region but have not listened to the dominant message: a large majority of the those directly or indirectly affected by the action—including elected officials from the region—do not support dam breaching. The agencies' focus displays poor judgment and no accountability.
- The Northwest Congressional delegation should remove from all federal agency budgets any funding that allows for further review or study of river drawdown or dam breaching measures. Congressional leadership should cut the funding.

Corps Snake River EIS Preferred Alternative and Comments:

- The Corps should recommend a preferred alternative for the Final EIS that: 1) eliminates any further review of river drawdown or dam breaching proposals; 2) provides for the continued improvement to dam passage measures, including bypass facilities, turbine upgrades, and fish transport improvements and evaluations; and 3) directs the Corps to prepare a full review of the benefits and costs surrounding the NMFS flow augmentation program within the Snake-Columbia River system—including a review of the potential benefits and costs of the proposed New Water Management Alternative.
 - The Corps' review of the PATH and CRI analyses indicate that drawdown/breaching actions would only be more effective than non-breaching actions if: 1) in-river survival levels are low; 2) transport to in-river (TIR) survival ratios are low; 3) differential delayed transport mortality is high (a low "D Value"); and 4) overall "latent" fish mortality can be attributed to hydro system passage, as opposed to general ocean conditions (ecological factors).
 - But the empirical data collected and reviewed by NMFS-UW indicate that: 1) in-river survival conditions are high (>60% survival); 2) the TIR ratios are high (1.5-3.0); 3) the differential delayed transport mortality is low or depends on which river systems are selected for comparison; and 4) ocean conditions are clearly responsible for the overall "latent mortality" that has affected fish survival, not system passage conditions. The available data and analyses for these variables indicate that dam breaching would not improve Snake River spring migrant runs.
- 1 • Within the Corps EIS, a careful review of the PATH and CRI modeling work—and a review of their critical assumptions and variables—would suggest that dam breaching will not improve snake river spring and summer chinook survival (or the improvement would be very small, if measurable). The critical assumptions used within the model analyses can vary greatly depending on the data used—but best available data and analyses would suggest that the dam breaching and existing-improved passage conditions alternatives are approximately equivalent in fish benefits.
- Fall chinook improvements for dam breaching largely depend on the assumptions used to characterize the addition of new spawning habitat within the Lower Snake River Reach—not changes to survival above Lower Granite Dam that would occur within Idaho waters. Any changes to fall chinook survival above Lower Granite Dam would be modest, at best. Fall chinook analyses concerning spawning habitat and fish production in the Lower River are speculative.
- 2 • The effects of ocean conditions on salmon survival and recovery within the Corps' EIS review—as expressed within the PATH and CRI analyses—do not appear to be adequately taken into account. Large magnitude changes to fish production within

cont. 2

the Columbia River Basin system will be the result of changes to ocean conditions--all other factors are marginal in comparison.

3

- The Corps' economic analyses for the irrigation, navigation, and recreation sectors should be revisited. It appears that the Corps has underestimated the costs within these sectors to varying degrees. The annual direct net costs should be about \$300 million rather than \$250 million. What this means is that the breaching alternative would provide very few fish benefits (limited to small numbers of fall chinook outside of Idaho), but cost the region \$300 million per year.

John Day Dam Breaching Study:

- The Corps' should not proceed with any additional review of river drawdown or dam breaching alternatives. As the Corps recommends within its John Day Dam review, no further study (Phase II analysis) should be conducted on a John Day Pool drawdown. The Congressional delegation should remove from proposed agency budgets any funding that would directly or indirectly support drawdown-breaching studies or proposed measures.
- The fish benefits derived from breaching the John Day Dam appear to be highly speculative and represent a mix of trade-offs among different fish stocks. Also, it appears that the John Day analysis tends to underestimate the benefits of transportation and overestimate potential benefits to fish from drawdown measures. In contrast, the economic costs are definitive and high--about \$700 million annually. This is a very high cost, low benefit salmon recovery measure.

The Federal Agencies "All-H" Review:

- For regional salmon recovery, the federal agencies should direct their efforts toward 4 key actions: 1) improving existing project bypass and fish transportation systems; 2) restructuring the existing NMFS flow augmentation program; 3) improving water management within the region via the New Water Management Alternative; and 4) giving priority to "targeted" salmon recovery measures that will protect tribal fishing rights, such as improving Zone 6 fishing for the tribes.
- The federal agencies "All-H" review does not deal adequately with water management or the NMFS flow augmentation program. Under water management, the federal agencies should adopt the key features of the New Water Management Alternative, calling for: 1) a restructured flow augmentation program; 2) transferring the economic value of the flow augmentation to water projects in the tributaries and watersheds; and 3) improving water transfers/changes and marketing; 4) implementing stakeholder identified water efficiency projects; and 5) involving the tribes in water management projects as equity partners (see attachment).

NPPC Frame Process Results--Fish and Wildlife Program:

- The NPPC framework process results are in early stages of presentation and review. As such, the critical assumptions used by the staff to assess fish benefits and impacts across the 6 alternatives and within the "strawman" analysis need to be transparent. It appears that very conservative assumptions are being made concerning the benefits to fish from transportation and fish passage improvements (PATH Analysis assumptions?); with higher benefit assumptions in place for flow augmentation and dam removal actions.
- The NPPC should focus on water management needs and adopt the key features of the New Water Management Alternative within the new Fish and Wildlife Program (see attachment, New Water Management Alternative).

"The Issue Is Water"

Two Approaches to Water Management Which One Will We (Water Users, Tribes, States) Take?

No Net Loss Water Policy and Regulation

A Policy of Water Relinquishment—
Reduce Water Usage in the Columbia River Basin,
All Future (and Some Existing) Water Is for Fish.

The NMFS "No Net Loss" Water Policy
and Flow Targets—State Management Actions
Supporting NMFS Policy and An Overzealous
Water Relinquishment Policy.

Supported By:

- * Perception of False Trade-Offs or Impacts for Salmon Recovery—Federal Agency Staff Desire "to Control" Water and Water Rights.
- * Unsatisfactory Technical, Scientific, Biological Analyses—Hydrology, Biology, Economics.

Providing:

- * Unrealistic Hydrological Flow Targets and Flow Augmentation Regimes.
- * Few If Any Real Measures of Biological Benefit.
- * Impediments to Water Transfers/Changes and Water Marketing, with Meaningless Regulation.
- * Less Dollars for Viable Fish Protection Measures.
- * Conflict, Confrontation, Court Challenges.

Objectives and Accomplishments?

- * State Water Management and Control Usurped.
- * A Focus on the "Salmon Recovery Industry," Not Salmon Recovery—No Priority for Actions.
- * The Misallocation of Millions-of-Acre-Feet of Water—Waste and Poor Resource Management.
- * Deteriorating the Standard of Living and Quality of Life for Pacific Northwest Residents.

A New Water Management Alternative For the Columbia River Basin Drainage Area

A Policy of Enhancing and Optimizing the Use
of Existing and New Water Resources—
Expand and Improve Usage of Water Supplies.

A "New Water Management Alternative"
for the Columbia River Basin—Water Users
Working with the State Water Managers
to Identify and Develop New Water Projects.

Supported By:

- * Acknowledgment that the State(s) Have Water Management Issues, Not a Lack of Existing and New Water Supplies—Need for Local/State Control.
- * Empirical data and Substantial technical and Economic Analysis.

Providing:

- * A Restructured Flow Augmentation Program Providing the Financial Support for Water Projects.
- * New Water Storage Projects (Existing and New Sites)
- * Enhanced Water Marketing—Transfers Capability WA State's Water Conservancy Boards Approach.
- * Water Efficiency Projects Identified by Stakeholders.
- * Opportunities to Involve Tribes as Equity Partners.

Objectives and Accomplishments?

- * State Control Over Water Management—Rights.
- * Using Water Resources and the Economic Value of Water to Protect Fish-Environmental Resources.
- * Providing Ample Water Resources to Meet State Needs and Expectations for the Next 30 Years.
- * Cooperative Planning and Implementation Actions, Political Accountability to Key Stakeholders—Public.

A New Water Management Alternative for the Columbia River Basin

Water Management Will Be the Key to Future Resource Planning

Flow Augmentation Program:

- The existing flow augmentation program is restructured based on biological data and economic impacts. The goal is *optimization*.
- The spring period flow augmentation regime is eliminated. The summer regime is limited to levels that approximate the summer period flow regime that was provided during 1994, a low water-year condition.
- The impacts to Idaho from summer flow augmentation are limited; Upper Snake River Basin withdrawals would be less than under the NMFS 1995 BIOP; impacts to the Upper Columbia Basin (Montana) would be limited.
- Changes to the existing flow augmentation program will create "new" revenues from the hydro power system--presently foregone revenues incurred by BPA.

New Water Resources Projects for Watersheds and Tributaries:

- Move water management for environmental needs off the mainstem system and into the watersheds and tributaries, to provide measurable results and real benefits.
- Revenues (funding) provided by restructuring the flow augmentation program are used to develop new water resources projects in watersheds and the mainstem tributaries.
 - New Water Storage Projects and Applications.
 - Promotion of Water Transfers/Changes with Local Control.
 - Implementation of Selected Efficiency Measures.

Tribal Rights and Economic Development:

- Tribal fishing rights are recognized and respected as legitimate *property rights*; recovery measures are implemented that improve or complement tribal rights.
- The tribes are invited to participate in the develop of new water resources projects as *equity partners*. Funding resources gained from the restructured flow augmentation program are used for this purpose.

State and Private Water Rights, Economic Development:

- State control over water rights and management is retained; private water rights are protected. Community social and economic needs are met through continued access to adequate water resources.

Columbia-Snake River Irrigators Association Policy Memorandum

DATE: November 6, 1998

TO: Mr. Will Stelle, NMFS, Northwest Regional Director
Hon. Gary Locke, Governor, WA State

FROM: Mr. Tom Mackay, CSRIA President
and CSRIA Board of Directors

SUBJECT: A Water Management Alternative for the Columbia River Basin
and Comments on the Statewide Strategy to Recovery Salmon

Because of overlapping issues concerning water management within the NMFS 1999 Biological Opinion (under preparation) and the recent request for comments on Washington State's "Strategy to Recovery Salmon," the CSRIA Board is providing to you the attached comments and recommendations. In both the BIOP and state recovery strategy, water management actions hold far-reaching implications.

We would request that the proposed water management alternative be given careful review and consideration, as it poses significant benefits for both salmon recovery and the region's social and economic well-being. Conversely, we suggest to you that the existing water policy--and flow augmentation program-- forecloses several positive opportunities.

We believe that several important objectives could be met, if the region and states were to embrace a new Columbia River Basin water management regime:

- Revitalize the salmon recovery effort by optimizing for fish production and the effective use of the region's financial resources.
- Protection of tribal treaty rights and securing long-term economic stability for the tribes.
- Recognition of the importance of state and privately held water rights to the economy of the Pacific Northwest and meaningful resource management actions.

We welcome all opportunities to discuss this further with you and your staffs.

3030 W. Clearwater, Suite 205-A, Kennewick, Washington 98336
509-793-1823; FAX 509-795-3140

*Shaping the Future for Columbia River Basin Resources Management:
Making Water A Key Part of the Solution, Not the Problem*

AN OVERVIEW

The principal water management strategy (for fish) within the Columbia-Snake River Basin, the flow targets/augmentation program, needs to be restructured, in order to improve biological benefits and reduce societal costs. A restructured program also has significant policy implications, eliminating the NMFS "no net loss" water policy that threatens the authority of states to govern water rights--as well as opening the way for new economic development projects for tribal and local communities.

The present flow targets/augmentation program has no hydrological basis, lacks necessary biological justification, and is an extremely costly measure. By restructuring the program, it will be possible to ensure a higher level of measurable biological benefits, while moving toward collaborative fish enhancement actions among federal-state agencies, the tribes, and the direct economic stakeholders.

A restructured program will rely on the development of *new water resource projects* in the tributaries, enhanced water transfer and marketing programs, and financial resources to implement new water projects made available from the generation of additional hydroelectric power.

The restructured flow targets/augmentation program would lead to greater certainty and verification for measurable fish benefits within the tributaries; fish benefits for the existing program are uncertain and to a large extent cannot be verified within system operations.

Fish benefits would be derived from generally improved habitat conditions and lower water temperatures within the tributaries; fish would likely be in better physical condition when entering the mainstem environment.

By restructuring the existing flow targets/augmentation program, additional power revenues would be acquired from the federal hydroelectric power system. The river system would be managed under a new hydro regulation that offers additional power generation beyond the 1995 BIOP hydro regime. The additional revenues would be allocated to the construction/development of new water management projects; tribal participation would be encouraged. Also compensation strategies for the tribes could be explored to mitigate their potential fishing right impairments.

The restructured program would greatly reduce the costs of the current water management program, which is producing uncertain biological benefits. The end effect would likely be a much more cost-effective program. It also would greatly reduce future costs to society, the opportunity costs associated with the NMFS no net loss water policy.

***An Alternative to the NMFS Water Policy--Flow Targets Program
A Recommendation to State and Federal Decision Makers and Resource Managers***

NMFS Water Policy

"No Net Loss" Water Policy--
Challenges State Water Rights

Action

Change or
Reject Policy

Implications

Reduce Conflicts with
States and Water Users;
Greater Collaboration
Sought with Economic
Stakeholders

Flow Targets/Augmentation Program

- Weak/Uncertain Biological Justification
- Unrealistic Hydrologic Demands
- High Cost Program \$\$--Results??

Restructure Flow
Aug. Program

Eliminate Spring Flow Aug.
(Some Experimentation,
Low Volume Uses in
Tributaries).

Summer Flow Aug. At
Approximately 1994 Levels
In Snake Basin-Low Water
Redefine Summer Flow
Aug. For Columbia River

- Restructured Water Use Program
And Optimize Use of Water**
- Marginal Biological Benefit Analyses
 - Cost-Effectiveness Analyses
 - Other Optimization Factors
or Considerations

Apply Optimization
Analyses/Review

New Alternatives Are
Available or Possible

More Fish

For The \$\$

-- Funding for New Water
Resources Projects
In Tributaries/Transfers

- Implications for Tribes?
- Economic Interests?
- Other Resource Benefits?

*RECOGNIZE CURRENT MANAGEMENT PROBLEMS
AND CONFLICTING OBJECTIVES*

The Dam Passage Debate:

- The future resource issue for the Northwest will not be dam removal, but how to manage water. Dam breaching costs will exceed the region's willingness-to-pay for uncertain fish benefits; but some groups may assert that these costs should serve as the region's "avoided cost" to set the level of future fish program expenditures.
- Regarding hydro system passage, "Share the Risk" practices will likely prevail in the years ahead—a mix of juvenile fish transportation, spill programs, and improved turbine/bypass survival passage measures.

The NMFS Water Policy and Flow Targets--The Need for Change:

- The National Marine Fisheries Service (NMFS) has created a "water policy" that abrogates state water law and privately held water rights; its flow augmentation program fails to consider the physical hydrology of the river basin; much of the flow augmentation biological justifications are either flawed or poorly framed; and the economics of flow augmentation is dismal.
- The end-effect of the existing flow targets/augmentation program is the misallocation of water; water is being used "speculatively," at best, with no demonstration of beneficial use—either biological or economic.
- More importantly, the NMFS water policy actually impedes a review of constructive solutions to water resource management. The NMFS water policy is a policy of conflict. While that may serve the objectives or communication style of some regional interests, it does not produce more fish or create more social and economic benefits.
- Neither the NMFS water policy nor flow targets/augmentation program involve an irrevocable commitment of resources. The agency can change its water policy and its flow augmentation program.

RECOGNIZING AN ALTERNATIVE

Bringing a New Recognition to Tribal Interests:

- In considering tribal interests within the political economy of salmon recovery, there should be a recognition that tribal commercial fisheries will never be an economically viable solution to tribal economic development—direct net benefits of a few million dollars annually, at best.

- But in considering tribal interests, there should be a recognition that tribal ceremonial and subsistence (local retail) fisheries in Zone 6 can be maintained and perhaps enhanced. This is important because these fisheries are an empirical expression of protecting tribal property rights (somewhat undefined), which could hold significant economic value--but the property right will focus on water.
- In considering tribal interests, economic stakeholders should begin to view tribal fisheries as an impaired property right. This could, or should, lead to discussions to consider settlement agreements or opportunities to allow the tribes to become vested interests in long-term economic development projects.
- This bears repeating: tribal interests should be viewed as desiring long-term economic development projects, where the tribes retain a vested property right.

Pragmatism, the Engine of New Water Management Alternatives:

- There can be a restructured flow augmentation program--because several MAF provided in low water-years has no, or no measurable, biological value. The NMFS flow program cannot demonstrate beneficial use.
- The restructured flow augmentation program would allow for additional growth of water use for municipal, industrial, and irrigation sectors--use the "saved" water from the flow augmentation program for beneficial uses (several MAF would be available, at least 3-6 MAF).
- The states and private sector could begin reviewing how to take advantage of mainstem water withdrawals for future municipal, industrial, and agricultural development.
- Also, water transfers (marketing) can be pivotal in reducing the demand for new water permits in the future and providing economic incentives for efficiency improvements (pragmatic economic incentives will rival regulatory "hammers" or theory any day). The criteria for whether water right holders or the state should receive "saved" water should be the funding source--private or public funds.
- The great water right as a property right versus public trust debate is fine for academic debate, but property rights are what make the water system function. Water rights provide for economic incentive, flexibility, and productivity; and financial certainty. Lenders, bankers, and public bond purveyors want property rights, not public trust dogma. A water right must be functionally treated as a property right, or the water supply system will rapidly break down.

IMPLEMENTING AN ALTERNATIVE

Water Development and Fish Enhancement Strategies:

- By restructuring the existing flow targets/augmentation program, additional power revenues would be acquired from the federal hydroelectric power system. The river system would be managed under a new hydro regulation that offers additional power generation beyond the 1995 BIOP hydro regime. The additional revenues would be allocated to developing new water management projects.
- In developing the new water resources projects, power revenues from the restructured hydro regime would be used to finance direct participation by the tribes. In effect, the tribes would become equity partners with the states and economic stakeholders in developing the new projects. The economic costs of flow augmentation can be transformed into venture capital for the tribes to become equity partners.
- The restructured program would greatly reduce the costs of the current water management program, which is producing uncertain biological benefits. It would greatly reduce future costs to society, the opportunity costs associated with the NMFS no net loss water policy.
- The focus for water management would be on upper river and tributary fish enhancement projects. For example, such projects could be developed within key watersheds—the Yakima River Basin or the Upper Snake River Basin, and others. The restructured flow targets/augmentation program would lead to greater certainty and verification for measurable fish benefits within the tributaries.
- The new water resources projects would be developed jointly by state, tribal, and economic interests. The new water projects would allocate water to fish, tribal, and economic needs.
- New water projects should provide water allocations that allow for economic, tribal, and environmental benefits—everyone would have access to benefits.

Governors key to water management

By Tom MacKay and Darryll Olsen

Special to the Herald

For Gov. Gary Locke and his Northwest counterparts, the vital natural resource issue for the Columbia River Basin is how to manage water.

They confront a future that could follow one of two very different management policies. Do they simply yield to a policy that is characterized by overzealous regulation and induced water right relinquishments? Or do they adopt a new water management alternative that points toward greater opportunities for measurable environmental benefits while meeting the economic needs of local and tribal communities?

Under its salmon recovery program, the National Marine Fisheries Service (NMFS) has imposed a "no net loss water policy" for the Columbia River Basin drainage area. The policy calls for no further water withdrawals from surface or groundwater sources within the Basin — it proscribes more water for fish, and only for fish, and it prompts measures favoring water right relinquishments from both private and public sector water users.

The NMFS water policy carries with it several detrimental features. It:

- Abrogates state water law and privately held water rights;
- Calls for flow targets within the mainstem Columbia-Snake River system beyond the capability of the system's physical hydrology;
- Lacks adequate biological justification as currently implemented;
- Possesses high economic costs to the power system and creates opportunity costs associated with impacts to water rights.

The end effect of the NMFS water policy is the misallocation of water. That is, water is being used "speculatively," at best, with little demonstration of beneficial use for either fish or people.

More importantly, the NMFS water policy actually impedes a

review of constructive solutions to water resource management, and it encourages state agencies to pursue meaningless regulatory actions focused toward water right relinquishments.

The NMFS water policy is a policy of conflict. And while that may serve the objectives of some regional interests, it does not produce more fish, create more social and economic benefits or make life easier for the Northwest governors.

Following "A New Water Management Alternative," the NMFS water management program for mainstem Columbia-Snake river system flows would be restructured, in order to improve environmental benefits, reduce societal costs and open the way toward collaborative actions among local water users, tribes and state water managers. A restructured water program has significant policy implications as well — eliminating the NMFS "no net loss" water policy that threatens the authority of states to govern water rights.

A restructured water management program and policy would:

- Change flow regimes on the mainstem Columbia-Snake river system, creating financial support for new water management actions;
- Pursue the development of new water resource projects in the tributaries and watersheds;
- Enhance water transfer/changes and marketing programs;
- Develop water efficiency measures identified by the direct stakeholders; and
- Offer opportunities for the tribes to be "equity partners" in new water projects.

By restructuring the existing flow targets/augmentation program, additional power revenues would be acquired from the federal hydroelectric power system. The additional revenues would be allocated to the implementation of new water management projects within the tributaries and watershed, with an emphasis on targeting water projects that can offer verifiable fish and environmental benefits. The restructured program would greatly reduce the costs of the current water management program — which is producing uncertain biological benefits — and reduce future costs to society, the opportunity costs associated with the NMFS “no net loss” water policy.

The development of new water management projects — including storage, water transfer/changes and efficiency measures — means additional opportunities for meeting the water supply needs for local communities and the tribes. More water supply options would be present within the tributaries and watersheds, and from the “saved” water provided by the restructured flow augmentation program (several million acre-feet of water).

In considering tribal interests, we should recognize opportunities to allow the tribes to become vested interests in water projects. For example, power revenues from the

restructured hydro regime could be used to finance direct participation by the tribes in developing the new water resources projects. In effect, the tribes would become equity partners with the states and economic stakeholders in developing the new projects. A portion of the value for the restructured flow regime can be transformed into venture capital for the tribes to become equity partners.

The future direction for water management and policy largely will be determined by the state governors. The governors can wield significant influence on the NMFS water policy by directing the Northwest Power Planning Council to restructure the existing flow regime within the council's new fish and wildlife program, and by publicly conveying to NMFS that challenges to state water rights will not be tolerated. Moreover, the governors can direct the state water masters to adopt measures that support “A New Water Management Alternative,” rather than a policy of water relinquishment.

The state governors are in a pivotal position to change our water management future — for the better.

■ Tom Mackay of Kennewick is president of the Columbia Snake River Irrigators Association and Darryll Olsen, Ph.D., is a resource economist who lives in Benton County.

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Eastern Oregon Irrigators Association**

**Summary-Preliminary Comments On:
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Federal Agency "All-H" Paper
John Day Dam Breaching Study-Phase I
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- But the empirical data collected and reviewed by NMFS-UW indicate that: 1) in-river survival conditions are high (>60% survival); 2) the TIR ratios are high (1.5-3.0); 3) the differential delayed transport mortality is low or depends on which river systems are selected for comparison; and 4) ocean conditions are clearly responsible for the overall "latent mortality" that has affected fish survival, not system passage conditions. The available data and analyses for these variables indicate that dam breaching would not improve Snake River spring migrant runs.
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A New Water Management Alternative for the Columbia River Basin

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New Water Resources Projects for Watersheds and Tributaries:

- Move water management for environmental needs off the mainstem system and into the watersheds and tributaries, to provide measurable results and real benefits.
- Revenues (funding) provided by restructuring the flow augmentation program are used to develop new water resources projects in watersheds and the mainstem tributaries.
 - New Water Storage Projects and Applications.
 - Promotion of Water Transfers/Changes with Local Control.
 - Implementation of Selected Efficiency Measures.

Tribal Rights and Economic Development:

- Tribal fishing rights are recognized and respected as legitimate *property rights*; recovery measures are implemented that improve or complement tribal rights.
- The tribes are invited to participate in the develop of new water resources projects as *equity partners*. Funding resources gained from the restructured flow augmentation program are used for this purpose.

State and Private Water Rights, Economic Development:

- State control over water rights and management is retained; private water rights are protected. Community social and economic needs are met through continued access to adequate water resources.