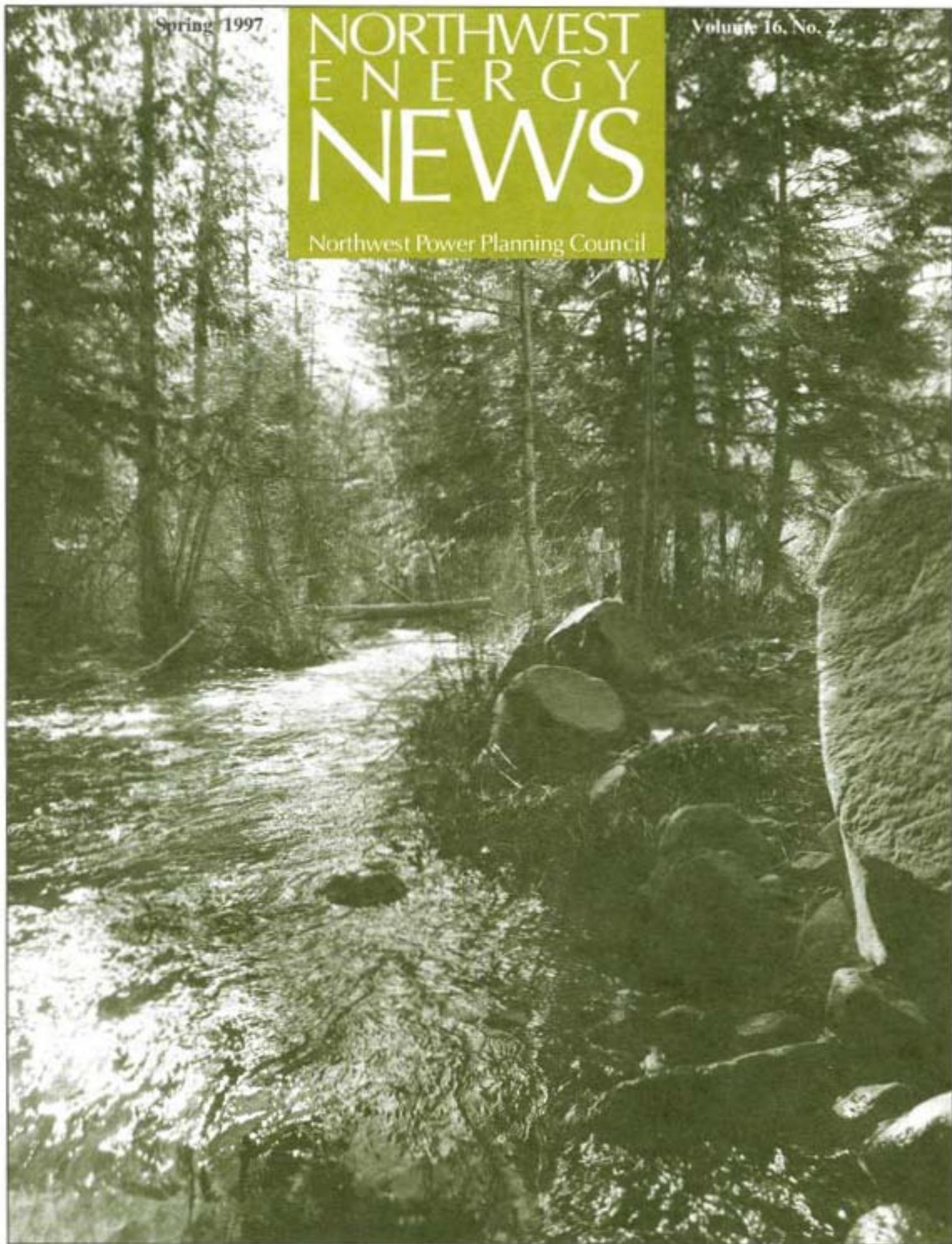


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# NORTHWEST ENERGY NEWS

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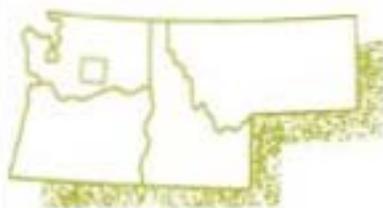




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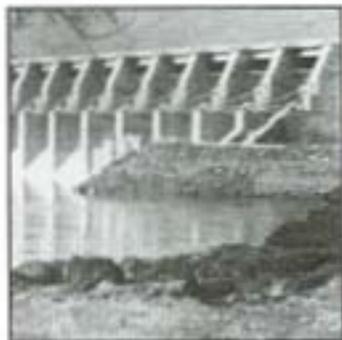
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# CORE VALUES

## The Hanford Reach may hold the best hope for salmon recovery in the Columbia River Basin.

by Carlotta Collette

**T**he landscape alongside the Hanford Reach, the last undammed stretch of the Columbia River, is filled with the ghosts of contrasting cultures. Miles roped off with faded warning signs. Rows of dead fruit trees, mostly stumps. Stark hulls of an old school, an old bank and, some miles further, an old stone warehouse. Ancient cemeteries where gray markers bear no names. And maybe somewhere, maybe not, the old cellars where the first people stored the tule mats they fashioned into tents when it was time to assemble and catch the last fish of the year — the fall chinook returning up the Columbia to spawn.

For the most part, engineers and scientists walk the land now. Contamination control specialists maneuver heavy equipment around a few targeted sites.

Their engines are a distant growl. Anthropologists, fish and wildlife biologists, and botanists all move quietly among the sagebrush and pale dirt hills. County planners with farm dreams sometimes visit. Occasionally, some of the last of the first people return, the people named for the river — the Wanapum, or “River People.”

Today, the sun makes a windy day feel warm. It is early April. Robert Tomanawash, elder of the Wanapum Band and the last among them to bear only Wanapum blood, is leading us to see the place where he was born, the site of one of the Wanapum’s fall chinook fishing encampments, the village below White Bluffs.



**T**he Columbia River is normally shallow here, especially in autumn, when the salmon return. But, in this spring of a high water year, runoff flows over grasses and strips of islands. It slides down side channels and through narrow gullies in the land.

Gravel the size of grapefruit covers the riversides and some of the islands. When scientists tell us that salmon spawn in gravel, don't think it's only the small stuff of driveways. The mighty fish that spawn in the Columbia build their nests of rocks that weigh pounds each. Using only their tails and the river current, they lift and turn dozens of stones, shaping them into "redds" that look from above like comets. In a good season, like this past fall, thousands of redds can be seen from the air. They stand out because their freshly turned stones are brighter than their surroundings.

Here at the White Bluffs encampment, the Wanapum celebrated for thousands of years the annual return of the fall chinook. They went out at night in canoes, and used torches to light the water and spears to kill the great fish. Throughout the long winter, the Wanapum would feast on the flesh of the salmon — dried, smoked, fro-

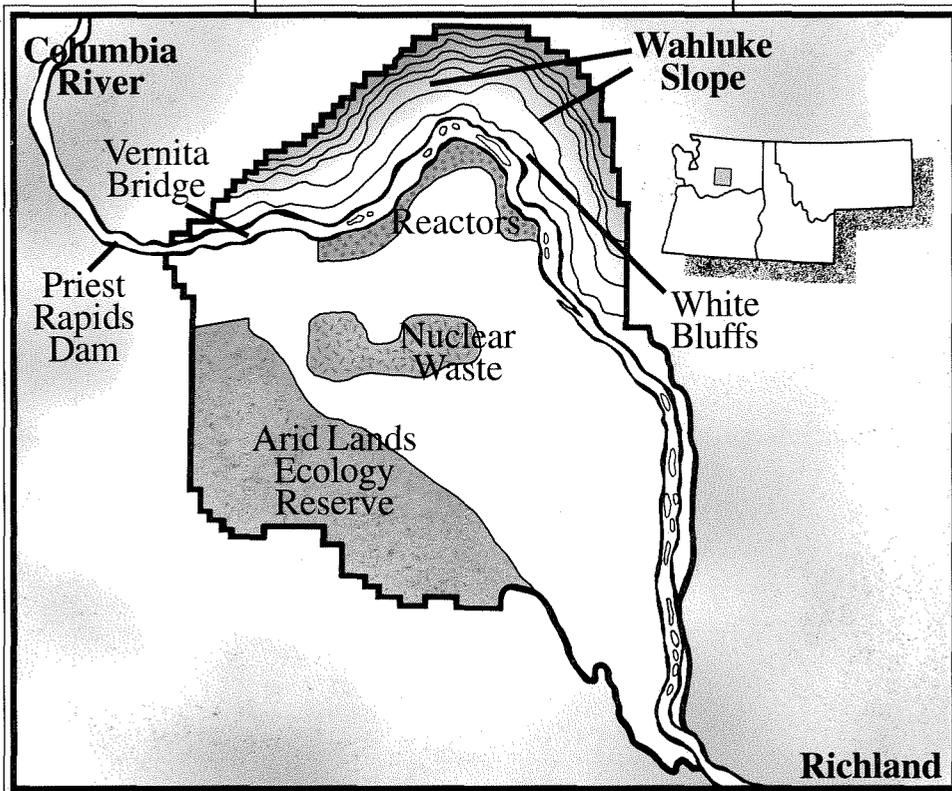
zen and later canned — as well as on roots and berries they'd harvested during the huckleberry season and at other times. Other tribes would come, too, to barter their goods for the Wanapum's fine fish.

Today, in the whole long reach of the mainstem Columbia River only one run of salmon spawns naturally — the fall chinook heading up to the 50-mile-long Hanford Reach. About 30 percent of the Hanford spawners build their nests in the shallows at the base of White Bluffs. Another 30 to 40 percent make theirs further upstream at the Vernita Bar, just below Priest Rapids Dam. Several occupy the gravels at Coyote Rapids in between. Others settle their eggs downstream where sand and gravel islands break the surface in low water. In a typical season, 30,000 to 50,000 fall chinook make their way back to the

Hanford Reach to spawn. A smaller spring run also is thriving.

The Wanapum believe the success of these fish is an indication of the tremendous value of this place. They believe the Wanapum people were put on the land to protect it — all of it — with its fish and wildlife, its plants, even the ground itself. They never claimed ownership and still don't today, says Wanapum spiritual teacher, Rex Buck. "We don't want to own the land, we want to maintain it so there'll be land and what you call 'resources' for our children so they can gather food or make what we need for our ceremonies. It has to be that way," he adds.

**N**onetheless, the Wanapum Elders of some 50 years ago understood, when the United States wanted to use their dry, remote land to harness the atom, that they had to leave their home.



*The Hanford Nuclear Reservation in Washington.*

"The government told us they needed our land for the Manhattan Project, to help win the war, and we didn't really have a choice," says Elder Tomanawash. "We thought we'd be able to come back for our canoes and other things when they were finished. We didn't realize we'd never be able to come back. Someone else took our canoes."

White settlers who had dug irrigation canals and planted cherry trees also thought they could return after the government finished with their farms. Most of their land was slated for inclusion in the second phase of the Columbia Basin Irrigation Project, which was scheduled to begin after the war. The farmers believed they would return to irrigated fields when the war was won.

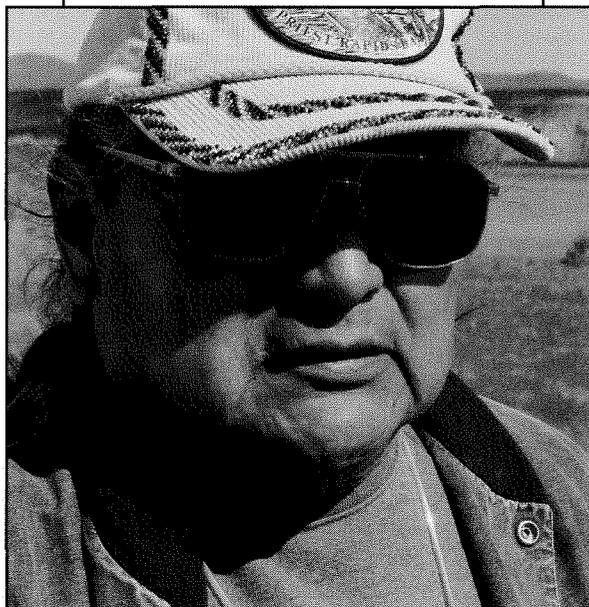
They were given about a month to gather their belongings and move out. Then the towns of Hanford and White Bluffs, each of which had populations of around 300 people, were razed to the ground, except for the school, the bank and the remote orchard warehouse. Soon after, the army cut down nearly all the fruit trees so the farmers wouldn't be tempted to return for harvests.

**I**n a matter of months, a new city was built. More than 50,000 engineers and scientists moved into Hanford and the government town of Richland. When the war was over, the cold war began, and Hanford's plutonium output was greatly expanded.

Today, the place the Wanapum considered "spotless and ordered," and the townspeople called "fruitful," contains some of the gravest contamination on the planet. The warning signs, hanging from chains that fence out at least 6 percent of the land, tell of radioactive material buried underground — and a surface that is still unsafe to walk on.

At the same time, much of the area is in many ways unspoiled. This is the last place in the Columbia where salmon spawn. The

## The Wanapum believe the success of these fish is an indication of the tremendous value of this place.



*Wanapum Elder Robert Tomanawash was born at the fall chinook fishing camp near White Bluffs.*

dam that was long on the drawing boards, named Ben Franklin after Benton and Franklin counties, was never built because of the fear of radioactive contaminants leaching into the river and the concern for security at the nuclear reservation.

Tomanawash and Buck are philosophical about the coming of the Manhattan Project. "Maybe it took the government to protect this place all these years," says Buck.

That thought is heavy with irony. The federal government with its top secret nuclear research and plutonium production had closed off more than 550 square miles of land, including the river itself, in large part to provide buffers and security. Because of this "protection," herds of mule deer lurching on the first spring grasses are at ease as we drive close by them — they've rarely been hunted or even approached in 50 years. They're relatively indifferent to people. In fact, because of development pressures all around, but not *in*, the Hanford

Nuclear Reservation, there are plant and insect species there that biologists and botanists believe are unique to the area.

**A**bout 77,000 acres adjacent to the nuclear reservation are now being managed by the U.S. Fish and Wildlife Service as an "Arid Land Ecology Reserve." "It's the most pristine shrub steppe habitat in Washington," says the Fish and Wildlife Service's project leader for the Reserve, Dave Goeke. "There are 18 previously unknown insect species and three unknown plants in the Reserve," he adds.

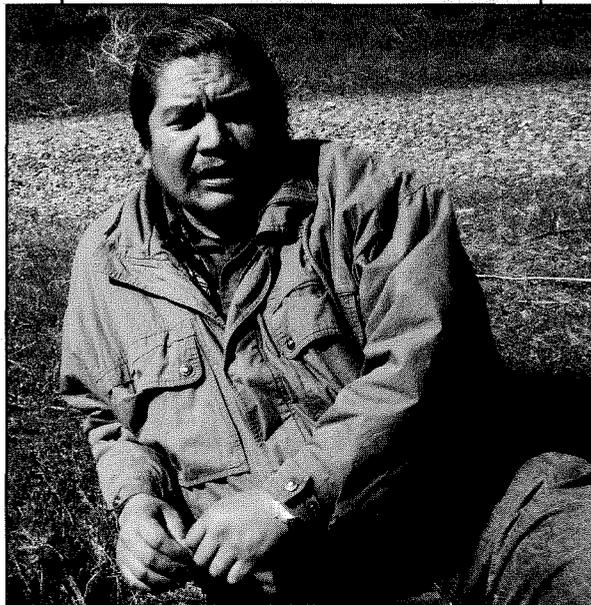
But the government is planning to give up ownership of other portions of the Reach, and the Wanapum people are worried that the place won't be protected anymore. If the land above White Bluffs, for example, the long-contested area known as the Wahluke Slope, is irrigated and farmed, as was the pre-war plan and current proposal from Benton, Franklin and Grant counties, the Wanapum fear the water will saturate the desert and cause the bluffs

to slough off sand or contaminants, burying the spawning gravel below.

**F**isheries scientists share this concern. In a report developed for the Northwest Power Planning Council by the Independent Scientific Group (reconfigured and renamed the Independent Scientific Advisory Board), they claim the Hanford Reach is the sort of high-quality habitat core populations of salmon would utilize historically. Such healthy habitat, with its complex of channels and shallow areas, bred particularly strong and robust fish that, the scientists believe, would often stray up into adjacent tributaries in search of habitat to colonize. In their report, "Return to the River: Restoration of Salmonid Fishes in the Columbia River Ecosystem," the scientists suggest that the Hanford Reach could be a model for what they call "salmon reserves." They believe the fall chinook spawning there may contain the future genetic material needed to replenish other habitats in tributaries along the Columbia and even into the Snake River.

In some ways, the chinook are like the Wanapum people, who once found everything they needed in this special place: food, tools, medicines, building materials — everything. Like the Wanapum, "the chinook had this river system figured out," says Dr. Jack Stanford, one of the members of the Independent Scientific Group. "They knew the best places to spawn, the places with the right gravel and water conditions. But the dams changed that," he notes. "They brought

## The scientists suggest that the Hanford Reach could be a model for what they call "salmon reserves."



*Rex Buck, Wanapum spiritual teacher says, "Maybe it took the government to protect this place."*

fluctuating water conditions that might be too high in the fall or could leave the redds dry in the spring."

**T**hat situation was largely remedied in 1988, when dam operators above the Reach agreed to maintain flows at closer to natural, pre-dam levels. In the fall, operators hold back some of the water so the Reach becomes as

shallow as it once was, and the chinook find easy access to their gravel beds. In the spring, dam operators ensure adequate flows to keep the nests covered with swift water.

These water conditions and the complexity of the habitat — in contrast to the lake-like stretches of the Columbia elsewhere — make the Hanford Reach the best example on the Columbia of what the scientists call a "normative river" — a river along which development has occurred but whose conditions are still able to sustain healthy salmon. Somehow, the fall chinook from Hanford Reach have increased their numbers despite a migratory path that takes them past four mainstem dams and through significant commercial fisheries along the North Pacific Coast. At the very least, the scientists hope to forestall any development along the Reach long enough to gain a better understanding of what it is about the place that works so well.

The scientists say that strong and healthy core populations, like the one at Hanford Reach and elsewhere on the mainstem of the Columbia, strayed up and down the tributaries, interbreeding and exchanging genetic characteristics.

When floods or other circumstances wiped out a spawning population in one of the tributaries, strays from the healthy core population would search out and re-colonize the habitat. The Hanford fall chinook still exhibit that behavior, say the scientists.

"We have data that shows that one Hanford Reach-tagged fish went up and down the Yakima River six times, like a yo-yo," says

fishery geneticist, Dr. Rick Williams, chair of the scientist's group. "That fish was looking for an alternative place to spawn," he adds. "If we can provide healthy habitat, passage to it and healthy conditions along the salmon's migration, we could see the Hanford stock move up into these other areas and repopulate them."

In "Return to the River," the scientists suggest that salmon reserves could be declared in particularly critical habitat. Such protected river reaches would be repaired, where needed, and studied, but not developed for other purposes that might conflict with use of the water for salmon.

**P**rotection for the Reach has been the topic of much debate in the Northwest and in Congress. Legislation was introduced in 1995 and again in 1997 aimed at designating the Reach a "wild and scenic river" with continued federal management by the U.S. Fish and Wildlife Service. Representatives from Benton, Franklin and Grant counties have proposed an alternative, one that would create a joint federal-state-local commission to manage the land when the U.S. Department of Energy relinquishes control. Both proposals aim at protecting the shoreline along the Hanford Reach for its natural, as well as recreational values. The boundaries each proposal defines differ only slightly.

But neither of the two proposals is clear about plans for Wahluke Slope, the area on which public debate over the coming months is likely to focus.

Wanapum Elder Tomanawash hasn't followed the political debate very closely. Anthropologists studying the area, and his tribe in particular, ask him what his people want to see happen in the

## **Protection for the Reach has been the topic of much debate in the Northwest and in Congress.**

place, but they are the exception. "Most of the time," Tomanawash says, "because we are not a 'recognized' tribe by the federal government, we are the last to know what's happening."

**T**his too is ironic, explains Dr. David Rice, an anthropologist with the U.S. Army Corps of Engineers. "The Wanapum were always overlooked, always too remote to be in anyone's way. They had their main village up at Priest Rapids, and steamboats never went that far. They weren't involved in the wars, so they never negotiated treaties. Because they have no treaties, they don't even have rights to fish like the treaty tribes. When the missionaries came, they missed the Wanapum, so the Wanapum were always able to maintain their traditional practices. When other basin tribes forgot or were turned away from their rituals, they would look to the Wanapum who still held to the traditions."

"The Wanapum are strong in our beliefs. We are strong people," says Rex Buck. "We have always been in this place, and

we always will be. No matter what happens around us."

**F**isheries scientists hope the same will be said of the fall run of chinook salmon still returning to the Hanford Reach. "These fish carry strong and healthy genes that we need to repopulate streams where other runs are depleted," says Dr. Williams.

"It is critical that we maintain the remaining core populations of salmon," agrees Dr. Stanford. "The Hanford Reach is a biological hot spot, and these fish are the key to our ability to restore salmon throughout the basin. They want to survive. They'll go up and down the river looking for other habitat to spawn in. And they are strong enough to make it past the dams. All we need to do is reestablish habitat in the subbasins and they'll go in there and occupy it."

It doesn't surprise Buck or Tomanawash that their special place and the great fish they watch for are the keys to sustaining future runs throughout the Columbia Basin. That's been their tribe's understanding forever. ■

Interview:

# C Michael D. Crapo

with Carlotta Collette

The vice chair of the House Energy and Power Subcommittee wants regional cooperation to replace federal action on Northwest issues.

Idaho's three-term Representative Mike Crapo got involved in electoral politics because he believes politics can work — if the citizens lead. The problems occur, he says, when the government tries to do too much.

Crapo began his political career right after graduating from Harvard Law School. Working first at the grass roots level, Crapo soon sought and won election to the Idaho State Senate, where he served for eight years, including four years as Senate president, before moving on to national politics.

Winning election to Congress in 1992, he was determined to answer what he considers to be a key question: "What is the proper role of our federal government." In general, he maintains, "We see far too much intrusion of the federal government into the lives of our citizens today, in terms of trying to manage our lives, literally from cradle to grave in too many areas."



Crapo is especially concerned about issues that affect local communities, but are managed by the federal government in DC. The recovery of Columbia River Basin fish and wildlife resources is one such issue. Securing the benefits of the federal hydropower system for the Northwest is another. His status as vice chair of the House Energy and Power Subcommittee (a subcommittee of the Commerce Committee on which he has served for all three of his terms in Congress) puts him in a position to influence both of those key issues as the House moves forward with the electric utility industry restructuring legislation his committee chair, Representative Dan Schaefer, sponsored. Crapo and the rest of the committee have been holding hearings around the country to listen to what constituents think about the restructuring of the electricity industry.

As head of the task force for the Pacific Northwest on these issues, he's met with people throughout the region over the past two years, trying to learn more about the region's very complicated power industry. "Somehow, we've got to be sure we have all the issues identified," he says. "Then we have to understand how they're interrelated, how they are woven into the thread of life that is created by the river system."

In addition to his work on the Energy and Power Subcommittee, Crapo is on the House Resources Committee, sitting on the Fisheries Conservation, Wildlife and Oceans Subcommittee. That subcommittee has jurisdiction over the Endangered Species Act, which affords him an additional perspective and leverage on the region's critical need to rebuild

its salmon populations.

Crapo is married, and he and his wife Susan have five children.

**Q** *You entered politics to help define the role of government in a political world. Can you talk a bit about how you think politics — the government — ought to operate?*

Let me take environmental issues as an example. Our current system has two flaws that create a lot of our environmental difficulties in this country. The first flaw is that the system is designed to create conflict between opposing groups. In the name of public involvement, we hold hearings. Usually a distant agency that people believe doesn't listen to them makes the preliminary decision or drafts something that is put out for public comment. Then people on both sides of the issue come to a hearing.

Instead of coming with the idea of sitting down with people from different points of view and trying to work out common ground, the public hearing process we have now is really where people do battle over environmental positions. Each side gears up to make its best case to the media. You often find both sides attacking the agency that's involved, but you don't find people sitting down at the table and understanding the other side's point of view.

So our system is adversarial. It's designed to create and facilitate battle.

The second problem is that the decisions are made by distant decision-makers, not by people who live where the problems are. I really believe that all points of view can be represented by people who live close to the problem. I'm sure you're aware of situations where collaborative decision-making efforts have been pursued in

some areas of environmental law. Where people have said, "Let's stop fighting with each other and let's get everybody together and sit down at the table and work things out."

Often you'll have people coming at it from the environmentalists' perspective saying, "I'm not trying to get rid of anybody's job, but I want to protect the environment." And you hear the guys who are coming at it from an industry's point of view, or a user's point of view saying, "I want to protect the environment, but I want to keep my job."

I honestly believe that the vast majority of people do not want to cause someone to lose their job or to cause harm to the environment. If we can get people into collaborative decision-making processes, they will find solutions that are better for the environment and better for jobs than what our current system can generate. I think that translates into all different kinds of federal issues.

**Q** *How does this relate to the issue of Snake River salmon? Can you see this process working for that very complex situation?*

That's probably one of the most difficult environmental issues we face, clearly in the region, but maybe even in the country. It's so difficult because it involves the management of a major watershed that involves four states.

If you think about where civilizations grow, it's around water. In the Northwest, the vast majority of the population follows the rivers and river systems. What that brings to light for me is that, as you make decisions about the governance of the river, you are affecting virtually every other aspect of life in the Northwest. Whether it is protection of the

salmon, the quality of drinking water, the availability of water for irrigation, flood control, power issues — generation itself, as well as low-income services and irrigation support — hunting, recreation, the list just goes on and on. It is how we live and where we live. It's very complex.

Because of that, it raises all the more the need for some type of decision-making system where the decisions are made by the people who live where the problem is. Everybody with a point of view should be at the table.

Second, the decision-making should be done in a process like the one I described, a collaborative model. Idaho has been doing that. We've been very involved in putting together the Idaho proposal [a salmon recovery plan developed in Idaho for Snake River salmon], moving forward in a way that brings everybody together and lets us find those common ground areas where we can make progress.

**Q** *Idaho has been able to do that because it is only one state, with a finite array of interests. Do you think the four states can actually work collaboratively, given the diversity and intensity of interests regionwide?*

It obviously gets more difficult the broader the arena. Idaho has had virtually every perspective at the table as we try to address these issues, but we haven't had the geographic representation. You're right, as we go beyond the substantive issues

you get into the need to balance geographic concerns and that gets more difficult.

Can we do it? Yes, I believe we can do it. I'm not laboring under the false assumption that it's going to be easy. Usually a solution in an issue like this is not going to have everything that any particular group wants. No side is going to win. There shouldn't even be an objective about winning, in the sense of beating somebody else out. The objective should be to get as good a solution as possible from the point of view that you represent, seeking at the same time to allow others in the process to get as good a result from their point of view.

I've found that when people are in a process like that, even when the final decision comes down and the group momentum moves in a direction that they wouldn't be entirely happy with, as long as they felt their point of view was heard, and meaningful concessions were made to try to accommodate them, then it's much easier for them to buy off on the ultimate product.

**Q** *Do you see a role for some one like the Council, or some entity that represents the*

*governors of the states, in bringing together such a collaborative approach?*

I do. The Council is an obvious place to look, but it could be some other type of organization. We need a decision-maker from the area. That would be much better than a decision-maker from a federal agency.

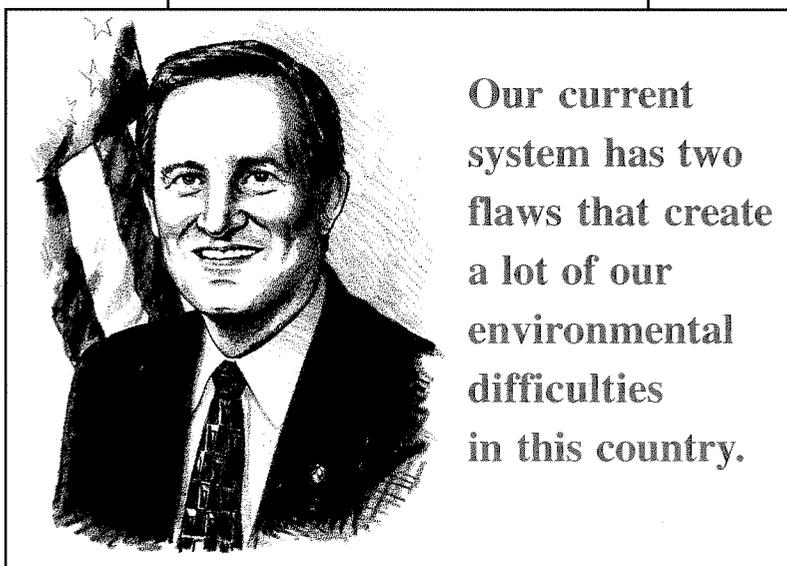
**Q** *Did the Comprehensive Review of the Northwest Energy System help you and the Congress identify the issues and resolve some of them? And the second part of the question is, have you ideas about how to resolve the things the Comprehensive Review did not resolve, such as stranded assets?*

The Comprehensive Review was very helpful. You're right, there were some issues that weren't resolved that need to be resolved, but given what it was, which was an effort to try to address the power side of the issues and the power marketing issues we're trying to face, I was very pleased with the progress of the group. There's going to need to be acceptance in Congress of some approach like that for the Pacific Northwest. That was a very good first step in terms of

identifying the issues and suggesting a path forward that keeps the benefits of low-cost power here in the Pacific Northwest, but addresses the critical issues of electricity industry restructuring.

I hope at some point we can work in salmon and steelhead recovery.

I think it's important we address salmon and steel-



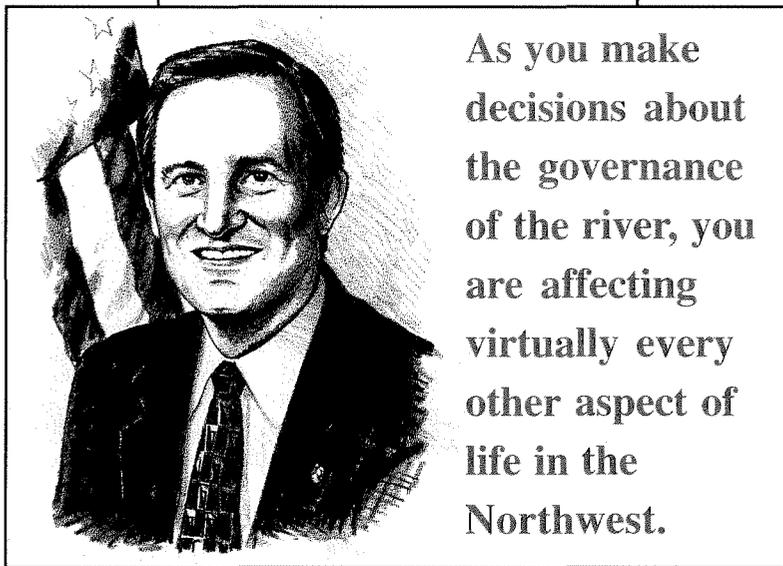
head recovery in the same time frame. In fact, I don't think it will be easy to proceed with a solution that doesn't have all of these various aspects included. We must figure out how we're going to approach the entire system.

**Q** *Are you saying there won't be federal legislation without a regional answer to stranded investments and fish and wildlife recovery?*

I think that's probably true. I'm not against creative solutions that will generate enough public support so we can move forward before all aspects of the issues are resolved. But right now, it's hard for me to see how we can make decisions about management of the river in one context that won't affect management of the river in another context.

**Q** *We keep hearing that federal legislation is moving very quickly. Will the Northwest be able to influence that legislation? What if we can't keep pace with the federal process?*

We have several opportunities to try to influence the process right now. For example, as I mentioned, in the House, I'm vice chair of the committee that's dealing with these issues. For the last two years, I've made it very clear that we have a very unique situation in the Northwest that needs to be addressed. Chairman Dan Schaefer, who introduced the electricity deregulation bill is aware of that. He's made it clear that, if possible, he'd like to let solutions, say for fish and wildlife, come in separate legislation. He'd like to



**As you make decisions about the governance of the river, you are affecting virtually every other aspect of life in the Northwest.**

Northwest together on a bipartisan basis so we can have some unity in the House to try to protect and preserve the region's interests.

**Q** *Idaho has a different role to play, particularly in regard to Bonneville, because you buy less power from Bonneville. Does that change*

*your point of view?*

Well it does affect our point of view, but it could be said that each state has a unique point of view. In addition, each region of the country has a unique point of view. That just identifies one of the complexities of this whole issue.

**Q** *If Bonneville is restructured, do you see changes in the way fish and wildlife recovery might be financed?*

There was a suggestion in the Comprehensive Review that there might be some allocated cost at some point in the delivery system for power. I think that's a good suggestion. A lot depends on identifying a path for salmon recovery that will allow us to put together a budget and a plan we can get unified behind on a regional basis. I've consistently argued that the dams are federal facilities, and if the federal government wants to avail itself of the benefits of these dams, then it should also participate in the cost of the management of the dams. So I'm not writing off the alternative of finding some federal support for salmon recovery. ■

keep his legislation on electric industry restructuring as clean as possible.

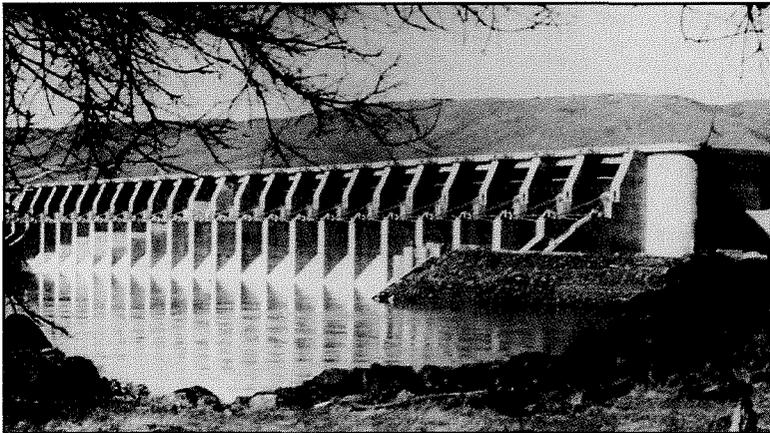
I'm working with him to try to find a way to do that. I also sit on the Resources Committee, which will have jurisdiction over other aspects of this issue. It's so broad there are multiple jurisdictions.

So in the House, to answer your question, I think we're postured very well, and I know that the chairman is aware of the issues. In the Senate, we're postured even more strongly to make sure that our voices are heard. Several Northwest members are on the committees of jurisdiction. Those senators, with a united voice, should have the opportunity to make sure that any legislation that's moved addresses the needs we've identified here in the Pacific Northwest.

What I've been saying assumes that we have unity. If we don't have five senators, or if we don't have a unified position to advocate here in the House, then it makes it all the more difficult.

The chairman of the Agriculture Committee in the House, Bob Smith from Oregon, and I have been working very closely with Representatives Peter DeFazio and Elizabeth Furse to try to get the delegation from the Pacific

# Making a River from a Reservoir



by John Harrison

## It's economic impacts versus fish benefits in the debate over lowering the reservoir behind John Day Dam.

In two years, the U.S. Army Corps of Engineers expects to make a decision on whether to lower the reservoir behind John Day Dam to improve spawning, rearing and migration conditions for salmon and steelhead.

Between now and 1999, the Corps is proposing to study the benefits to fish and the economic impacts of lowering the reservoir as much as 40 feet — to near the crest of the spillway. Drawdowns that leave the reservoir higher have been proposed, and studied by the Corps, but these do not appear to offer as much benefit to the fish as a deeper drawdown.

A deep drawdown would expose habitat near the shorelines of the reservoir, which fish could use for spawning, rearing, resting and feeding, and it would help speed the current for the benefit of juvenile fish that are migrating to the ocean. But such a drawdown also would have an impact on navigation and irrigation in

the reservoir and hydropower generation at the dam.

The Northwest Power Planning Council's Columbia River Basin Fish and Wildlife Program calls for a drawdown to minimum operating pool at John Day, the lowest level at which the navigation lock still operates. The program also says that such a drawdown must be preceded by full mitigation of impacts, and that deeper drawdowns should be studied. The National Marine Fisheries Service calls for a similar drawdown and mitigation in its biological opinion regarding the impact of hydropower operations on endangered Snake River salmon. However, the drawdown has not been pursued because mitigation is not in place and scientists have said a deeper drawdown likely would have greater benefit for the fish.

To learn more about the potential fish benefits and economic impacts of a John Day drawdown,

the Council met with representatives of the Corps of Engineers, the Bonneville Power Administration, irrigation interests, environmentalists, Columbia and Snake river port officials and others to discuss John Day drawdown issues. In general, river users said lowering the reservoir to the levels proposed either would severely restrict their business or put them out of business. Environmentalists said the lower levels could help fish by re-creating habitat for spawning, rearing and resting, while also boosting the velocity of the current. The Council has not taken a position on deep drawdown at John Day, but does support the Corps' request to re-program \$1.5 million of current fiscal year funds to carry out the study.

In congressional testimony on the proposed Fiscal Year 1998 budget of the Corps of Engineers, in which the Corps asks for an additional \$3.2 million for the study,

the Council noted:

"... the Council specifically recommends that the Corps focus on the effects of drawdowns deeper than minimum operating pool. According to a letter from Will Stelle, regional director of the National Marine Fisheries Service, to the Corps of Engineers dated December 23, 1996, recent science points to deeper drawdowns of John Day as having potentially far greater benefits to anadromous fish, and considers drawdown of John Day to minimum operating pool to provide little or marginal benefits."

**B**ecause the Corps already made a preliminary study of lowering the reservoir to minimum operating pool at John Day, the Council recommended in its testimony that no additional funding be allocated to the Corps to study that alternative.

"While there are many unknowns, the Council believes the region has enough information to evaluate whether a shallow drawdown of the John Day reservoir would provide a significant benefit to the fish, and that studies should focus on deeper drawdowns," Council Chair John Etchart of Montana said.

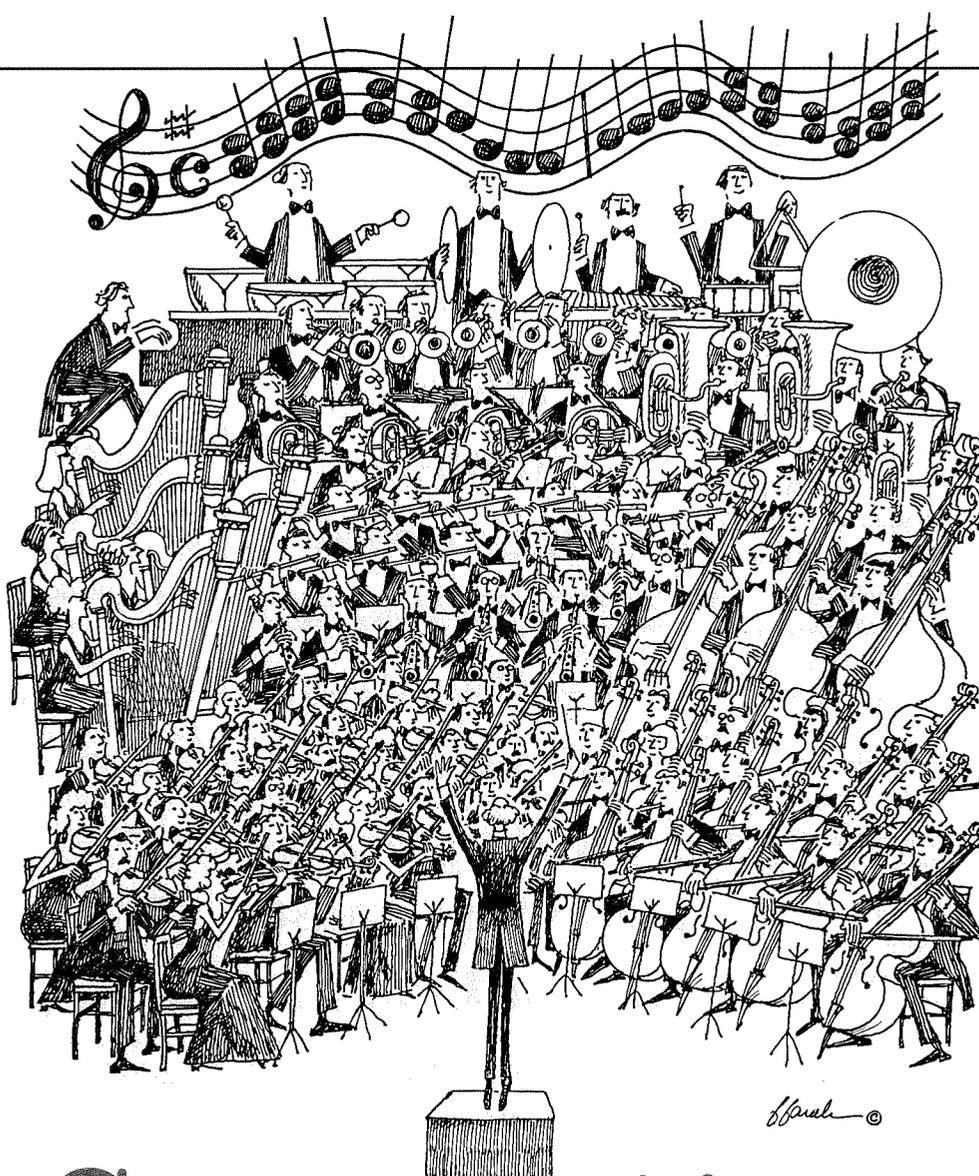
The Council also recommended that a portion of the money requested by the Corps for drawdown studies at John Day be used to investigate the feasibility of modestly lowering the reservoir behind McNary Dam. This is consistent with a measure in the Council's 1994 Fish and Wildlife Program, which calls for an evaluation of all hydropower facilities to determine the availability of additional flow velocity improvements. The greater value, however, may be to fall chinook spawning and rearing habitat upstream in the Hanford Reach.

**River users said lowering the reservoir to the levels proposed either would severely restrict their business or put them out of business. Environmentalists said the lower levels could help fish by re-creating habitat for spawning, rearing and resting, while also boosting the velocity of the current.**

"Insufficient information exists to determine whether the benefits for salmon from a minimal pool lowering at McNary Dam ... would be more or less than from a deeper drawdown at John Day," the Council wrote in its testimony on the Corps' budget. "Accordingly, the Council believes that both should be examined by the Corps."

**L**ater this year, the Council will consider amending the fish and wildlife program — including the drawdown measures. Etchart said the Council intends to pay particular attention to the Corps' study. At the same time, the Council's recently formed Independent Economic Analysis Board likely will be asked to consider economic impacts and potential mitigation of drawdowns, he said.

The Corps originally estimated the cost of mitigating the consequences of a drawdown to minimum operating pool at \$175 million. Those costs may change as more information is reviewed. Cost estimates for deeper drawdowns will be developed in the Corps' further studies, although Harza Northwest, a Portland engineering firm, studied the issue in 1994 and estimated a drawdown to near spillway crest, plus mitigation, would cost \$690 million. There are no detailed cost estimates for a McNary drawdown. ■



# Cooperation as a Competitive Strategy

by Ted Flanigan

Northwest utilities learn that the best way to cope with competition is to join forces.

*Editor's Note: Last fall the Northwest Power Planning Council asked Ted Flanigan, then director of The Results Center, an organization that tracked and highlighted utility conservation efforts nationwide, and Jim Nybo, then on the Council's staff and now an economics consultant, to survey and report on creative ways Northwest utilities are continuing to support energy*

*efficiency in the context of a more competitive industry. The full report, "Competitive Energy Services Strategies in the Northwest: A Partial Eclipse of the Moon," is available (order publication # 97-1). What follows is a second example (the first was published in our winter issue) selected from the full report.*

**W**hile some investor-owned utilities look for mergers and acquisitions to improve their competitive position, a narrower vision may be the ticket to survival for small utilities — keeping money in communities, creating local jobs and addressing local concerns. Through joint action, four Northwest utility collaboratives are trying to do just that. They are designing and delivering sophisticated energy-efficiency approaches and services that may effectively distinguish them in the eyes of their customers. Through clever collaborations, they are maintaining local control and delivering tailored energy solutions.

#### **CARES: Conservation and Renewable Energy System**

The Conservation and Renewable Energy System (CARES), an organization formed by eight Washington utilities in 1988, has developed a cost-effective form of third-party financing that takes borrowing pressure off the Bonneville Power Administration. Under its own financing approach, CARES has secured more conservation than in the past, and at lower costs.

CARES was established to promote energy efficiency at lower costs than Bonneville-funded conservation programs. In 1994, members issued \$37.8 million in municipal bonds whose debt service would be repaid by Bonneville, based on verified energy savings over a four-year period. If CARES delivers more savings than anticipated, it receives a performance bonus. At the two-year milestone of its contract, CARES had tripled its target and earned a \$5 million bonus.

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bonus.

Concurrently, CARES agreed to build a demonstration wind project made up of 91 turbines that are expected to provide 25 megawatts of electricity. Using locally manufactured turbines, coupled with outstanding winds blowing down the Columbia River Gorge, CARES expects to develop, own and operate a productive wind farm in the next year or two.

Bolstered by an impressive track record, CARES now faces its greatest challenge. The organization is changing its operations to a fee-for-service basis. It is preparing for a metamorphosis in which it will switch from being an uncommon Bonneville contractor to being funded by its members and their customers.

To succeed, CARES must assess and then build upon its strengths and find new market niches. In general, CARES will focus on providing services to

customers that investor-owned utilities and entrepreneurial energy service companies ignore. It recognizes its opportunity to work with small businesses. Finance is now a key tool within its arsenal.

CARES appears to be well poised for the future. It has been highly successful with its innovative performance contracting for Bonneville. It will soon be running the region's premier wind installation. Its reputation and track record have positioned it well to face the competition and provide the necessary economies of scale to support its membership in competitive times.

#### **OMECA: Oregon Municipal Energy Conservation Agency**

The Oregon Municipal Energy Conservation Agency (OMECA) was formed in 1994 by seven Oregon municipal utilities to acquire cost-effective energy conservation for its member utilities. Like CARES, OMECA members had planned to issue bonds that would be repaid by Bonneville based on verified savings. In reality, however, OMECA did not complete the bond issuance because tax-exempt bonds could not be used for loans, a strategy to promote energy efficiency that OMECA felt was increasingly important. Thus OMECA has operated using direct funding from Bonneville, based on an \$11.4 million contract to save 4.2 average megawatts at a levelized cost of 2.4 cents per kilowatt-hour.

The contract with Bonneville allows members to easily transfer funds among members and among programs. The agreement also allows flexibility in program design. So far, OMECA has delivered savings for an average cost of 1.6 cents per kilowatt-hour, two-thirds of the stipulated price.

OMECA's formation predates concerns about competition, but according to its manager, Cathy Higgins, it has certainly been important for responding to competition. She reports that, "OMECA's utility directors are embroiled in the complexities of competition ... When you have bigger things on your plate, you don't worry about conservation." Thus OMECA has become an extension service for members, providing in-house energy services that they could not individually afford. Members are getting trusted advice and rolling out well-researched ideas.

Higgins believes that the strong arguments for continuing conservation as competition approaches need to be clearly reinforced. Conservation provides a golden opportunity to learn who customers are and what services they really want.

OMECA has been focused on identifying ways to pay for conservation once Bonneville's funding dries up. One strategy is to fund conservation using the savings they accrue by purchasing electricity at the new lower rates. Helping to finance energy-efficiency efforts consumers undertake is another area of member interest. Small to mid-sized utilities can share resources to spread fixed costs. Members are also working with product manufacturers and distributors to lower costs.

By working as a team, OMECA's members acquire a competitive edge and can offer refined energy services. OMECA is well positioned to provide a centralized service at a scale perhaps most fitting for locally controlled conservation programs.

WMG&T  
member  
utilities  
operate with  
a  
"down-home"  
style that  
stands in  
stark  
contrast to  
today's  
cutthroat  
market  
conditions.

#### Western Montana Generating & Transmission Cooperative

Rural Montana is hardly sheltered from the harsh winds of competition. Thus the member utilities of the Western Montana Generating & Transmission Cooperative (WMG&T) are positioning themselves for survival. Bill Drummond, manager of WMG&T reports that, "Our utilities are assessing new products to enhance their services and to address competition at the wholesale level and the coming competition at the retail level."

WMG&T was formed to build a hydroelectric project. After its

original seven utilities were forced to abandon the hotly debated project, the organization went on to serve as a coordinator for utility planning and later for demand-side management. It established a centralized service to administer Bonneville programs, providing members with much greater control over their implementation. More recently, the cooperative's role has expanded again, encompassing resource planning and diversifying supply.

Two years ago, WMG&T developed an integrated resource plan to evaluate alternative resources. Then, in light of the expiration of its full-requirements contract with Bonneville in 1996, it issued a request for proposals, seeking 25 average megawatts. There were 18 responses. Two member utilities decided to continue to buy all their power from Bonneville, while others elected to buy portions from Louisville Gas & Electric and Montana Power Company.

Part of the planning process included a customer survey that explored, among other things, the relative importance of customer services and rates. Survey responses confirmed that both rates and service are critical. Most importantly, the responses showed that customers are willing to pay for energy services that meet their needs. Thus, out of the planning process, came a commitment to continue to provide energy services after Bonneville's funding ends.

The member utilities developed a utility energy services guide that covers new product options, as well as software tools members can use to determine which products are cost-effective given their specific circumstances.

WMG&T member utilities

operate with a "down-home" style that stands in stark contrast to today's cutthroat market conditions. These utilities are locally operated, that's their strength. But that also may be a weakness because they must compete with major energy suppliers' economies of scale and sophistication. Finding the balance between keeping costs low, keeping service levels high and keeping power supplies reliable is the co-op's ultimate challenge.

#### Pacific Northwest Generating Cooperative

"The old conservation rebates were not good business deals," claims Phil Sher, managing economist for the Pacific Northwest Generating Cooperative (PNGC). "But there is no doubt that customer service is going to be the key to a competitive marketplace."

Like WMG&T, meshing good energy-efficiency services with power supplies is at the core of PNGC's competitive strategy. Thus Sher and consultant John Shearer have designed a portfolio of new programs for PNGC members. They recognize that it will be harder to promote conservation without utility incentives. More dollars will have to be spent communicating the benefits of efficiency, but they believe their new approach is the best way to sustain conservation activities in the free market.

When Bonneville began cutting back on its conservation funding, PNGC began looking for ways its 11 cooperative members could secure the value of efficiency without paying out "lavish" incentives. Instead of offering a \$1,500 rebate for efficient new home construction, PNGC is trying to make sure buyers get the energy savings they're paying for. For example,

Meshing  
good  
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efficiency  
services with  
power  
supplies is at  
the core of  
PNGC's  
competitive  
strategy.

the utility is helping customers ensure that the correct materials are installed correctly. By shifting attention to these important details, PNGC can provide greater value for its customers at lower cost.

In the past two years, PNGC has gone through its own form of reinvention. The "old PNGC" was strictly a supply-side construct with both generation and transmission assets. Recently it has developed the capability to buy short-term power on behalf of its members, fulfilling 30 percent of their requirements and lowering their rates by 25 percent in the process.

The new PNGC has three business lines with a new focus on distribution. The new special services business line features the "Electric Answer Center," a new approach to finding customer solutions. It offers a menu of eight programs from which mem-

bers and non-members can select services offered on a subscription basis.

Among its new products, the biggest effort is the duct test and balance program. To address leaky heating and cooling ducts, PNGC is developing a videotape, training installers, creating an advertising tool for consumers, and going into its members' service territories to speak with local contractors. PNGC is working to establish and nurture relationships with product manufacturers and distributors, while stopping short of abdicating its relationships with customers.

PNGC's general manager, Dave Piper, realizes the importance of integrating his generating and transmission services with the new domain of energy services, "getting out of the box" of conventional thinking, and capitalizing on the major trends within the industry. One of these is the convergence between supply- and demand-side services. Thus PNGC has gone beyond its conventional role and has found new means of adding value to its services for the customers its members serve. ■

# *Fish* FOR THE FUTURE

by John Harrison



## SCIENTISTS SAY DRAFT ENVIRONMENTAL IMPACT STATEMENT ON FISH HATCHERIES NEEDS MORE WORK.

In the future, fish hatcheries run by the federal government could be making a major contribution to the restoration of *naturally* spawning runs of salmon and steelhead in the Columbia River Basin. That would be a major change in hatchery management, which currently focuses on using hatcheries to produce fish for harvest in the lower Columbia River, rather than letting the fish return to natural habitat upstream.

However, a draft programmatic environmental impact statement that would justify such a change is flawed, according to a group of independent scientists. After reviewing the draft environmental impact statement at the request of the Northwest Power Planning Council, the Independent Scientific Advisory Board suggested that several key areas of the report need more work. While the goals of the impact statement are valid, the statement itself does a poor job of supporting the goals, the scientists concluded.

The U.S. Fish and Wildlife Service, lead agency in preparing the statement, is soliciting public comment on the draft and plans to make revisions in response to the comment. "I don't think they said anything we can't answer," said Lee Hillwig, team leader on the draft impact statement for the Fish and Wildlife Service. Other participating agencies included the Columbia Basin Fish and Wildlife Authority, the Bonneville Power Administration and the National Marine Fisheries Service.

The impact statement calls for shifting 30 percent of the salmon and steelhead production at federal hatcheries to support supplementation, which means planting hatchery-bred juvenile fish in streams so they will return to those streams to spawn several years later.

Federal hatcheries already produce fish for supplementation experiments in tributaries of the mid-Columbia and lower Snake rivers, but the environmental impact statement proposes to boost annual supplementation production from 7 million fish to 78 million in an effort to rebuild salmon and steelhead runs that were affected by, among other things, excessive fish production

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at the same federal hatcheries in the lower Columbia River. Years of commercial salmon fishing between Bonneville Dam and the Pacific Ocean also resulted in losses of less-abundant salmon and steelhead that were attempting to return to spawning grounds or hatcheries farther up the river.

The draft environmental impact statement was released for public comment on December 10, 1996. Initially, the sponsoring agencies requested comments by February 10, but that deadline was extended to May 1, 1997.

According to the document, there is a need "... to better define a systemwide salmon and steelhead artificial production strategy in the Columbia River Basin."

When completed, the environmental impact statement will be used by the agencies to support changes in hatchery management, such as increased supplementation.

There are more than 90 artificial production facilities in the Columbia River Basin. Collectively, these produce more than 166 million smolts annually. About 75 percent of the adult salmon and steelhead in the basin come from these facilities.

The draft environmental impact statement examines how hatcheries are used and whether they are fulfilling the various legal mandates for which they were built. For example, most hatcheries in the mid-Columbia and lower Snake rivers were built to mitigate the impact of hydroelectric dams on salmon and steelhead. For hatcheries below Bonneville Dam, just 146 miles from the mouth of the 1,200-mile Columbia River, this means supplying fish for sport and commercial fisheries.

The Mitchell Act of 1938, amended in 1949, initiated large-scale hatchery production in the

Columbia River Basin. The Mitchell Act was an attempt to partially compensate for the loss of salmon spawning and rearing habitat from the construction of Grand Coulee Dam. Some 40 fish-production facilities, including 24 hatcheries, were built under authority of the Mitchell Act, most of them downstream from Bonneville Dam. In 1976, the Lower Snake River Compensation Plan added several major hatcheries and acclimation ponds and improved several existing hatcheries as a means of mitigating the impact of the four federal dams on the lower Snake River.

Because most of the hatcheries were located downstream of Bonneville Dam, upriver fish runs suffered through the 1970s, as fishing pressure increased, and the region entered a prolonged drought. Washington and Oregon set harvest seasons based on estimates of returning adult fish. Because most of the fish were returning to hatcheries or streams downstream of Bonneville, fishers caught a disproportionate number of salmon and steelhead destined

for spawning grounds or hatcheries upstream from Bonneville. Treaty Indian fisheries, which are located above Bonneville Dam, suffered. Federal courts ordered that more fish be made available for harvest upstream from Bonneville.

In response, fish production managers today are coming to view hatcheries as a means of boosting *natural* production. Planting hatchery-bred fish in rivers may rebuild naturally spawning runs. In 1994, the Integrated Hatchery Operations Team, a group of fish-production specialists brought together by the Northwest Power Planning Council, developed a set of uniform hatchery operating guidelines. These guidelines, which now are being implemented by hatchery managers, address controlling fish disease, maintaining genetic diversity, managing ecological interactions, standardizing hatchery procedures, and coordinating regional hatchery operations and programs.

According to the draft environmental impact statement, managers of the federal hatcheries must determine whether, and how, to change their salmon and steelhead production programs.

"The number of fish is declining, and some of the natural production is below self-sustaining levels," said Hillwig, "so the purpose of changing hatchery production is to supplement those runs, where appropriate. A programmatic environmental impact statement has been prepared so we can bring all the interests into this process, and to disclose to the public where we are with hatchery production."

The draft statement proposes a preferred alternative for future management of the federal hatcheries.

Key elements of the environmental statement include:

- Limit basinwide hatchery production to current levels, or very small increases.
- Shift some emphasis from planting fish in streams downstream from Bonneville Dam to streams upstream from Bonneville.
- Assume that hatchery-bred fish pose some risk to naturally spawning populations and strive to minimize the risk.
- Establish an enhanced objective for natural production of fish.
- Propose aggressive hatchery production planning, with results-oriented monitoring and timely changes where appropriate.

In January, the Northwest Power Planning Council asked the Independent Scientific Advisory Board to review the draft environmental impact statement and report to the Council. The 11 Advisory Board scientists include eight members of a predecessor group of scientists, the Independent Scientific Group, who reviewed the science underlying the Council's fish and wildlife program and reported in a 1996 document entitled, "Return to the River: Restoration of Salmonid Fishes in the Columbia River Basin." In that report, the scientists wrote that hatcheries have failed to replace natural fish production lost because of habitat degradation, and that the use of hatcheries to restore depleted salmon populations "... should be approached with extreme caution and accompanied with a well-designed and adequately funded monitoring and evaluation program."

Dr. Rick Williams, a geneticist from Meridian, Idaho, who is chairman of the Independent Sci-

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entific Advisory Board, said the objectives of the draft programmatic environmental impact statement are good, but that the statement fails to adequately support those objectives. Regarding the preferred alternative, the scientists wrote:

"The [statement] recommends a suite of actions that include increased hatchery output and massive increases in supplementation for the upper basin tributaries, however, the [statement] limited its analysis to the mainstem and specifically excluded analysis of wild and hatchery fish interactions in the tributaries themselves. The conclusions of the [statement] fall outside the scope of its analysis and, therefore, are not logically supported."

The independent scientists wrote that the draft environmental impact statement:

- "...does not adequately address the interaction between harvest management and hatchery production in impacting natural stocks. Assumptions about harvest levels are the key drivers for much of the current artificial production program as well as the [statement's] preferred alternative."

- Fails "...to adequately assess the genetic and fitness effects of hatchery fish on natural populations."
- Ignores the weight of evidence and inferences of literature on many pertinent topics and also fails to adequately survey pertinent literature.
- Fails to address fundamental questions that need to be addressed for artificial production.
- Assumes — without justification — that the guidelines developed by the Integrated Hatchery Operations Team "... are adequate to guide the conversion of present production hatcheries to future supplementation and conservation hatcheries."

Representatives of agencies that prepared the statement met with the Independent Scientific Advisory Board in April. "We had a productive discussion, and it gave us a greater understanding of their concerns," said Bill Shake, assistant regional director of the U.S. Fish and Wildlife Service. Shake said he could not discuss specific comments until the end of the public comment period, but that afterward, "we'll look at all of the comments we received and decide how to proceed."

Hillwig of the Fish and Wildlife Service said future hatchery production would have to be consistent with all the concerns that are expressed.

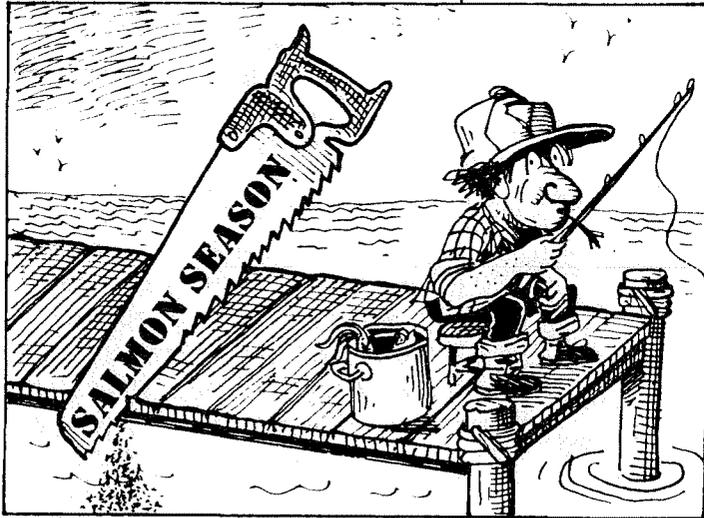
"In the environmental impact statement, we establish forums to address all the scientific needs and genetic concerns and to determine whether supplementation is appropriate," Hillwig said. "We're not going to go out and start throwing fish everywhere because we want to boost production." ■

# SHORTS

## West Coast

**Shortest season ever and tightest restrictions confront West Coast salmon fishers.** Citing concerns about endangered Snake River salmon, as well as “very low abundance” of coastal coho and chinook, the Pacific Fishery Man-

aged out of Idaho two years ago. Scientists say the runs could drop off quickly, and a fast snow melt could make swimming upstream more difficult, but if all goes well, they say, this could provide good brood stock for future rebuilding. (Source: *Clearing Up.*)



agement Council has adopted some of its shortest fishing seasons ever. While the harvest of coastal coho was not prohibited outright, as it was in 1994, the smallest quotas in history were adopted. Most salmon fishing seasons from Mexico to Canada will be shorter this year than ever before. The Management Council's aim is to ensure that enough of the various stocks return to upstream spawning areas to help rebuild populations. (Source: Pacific Fishery Management Council.)

**Spring chinook returns counted at Bonneville Dam are up 600 percent over last year's.** Better ocean conditions, tighter harvest controls and the temporary absence of El Nino have been given partial credit for the big returns, most of which are hatchery fish

**The Columbia Basin ecosystem is in poor health, study reports.** After three years' study and more than a hundred public hearings, the Interior Columbia Basin Ecosystem

Management Project has released its plan for managing federal lands in the Columbia River Basin. Participating federal agencies expect to take comment on the plan for four months from its release date — April 23. The plan is reportedly upsetting all sides of the Northwest's environmental debates, with environmentalists claiming it will result in more logging and road building, and loggers and developers saying it goes too far to restrict these activities. The plan ranks the ecological health of about 60 percent of the basin's ecosystems as low and recommends forest thinning and prescribed burning, among other actions. (Source: *Seattle Times* Internet site: [www.seattletimes.com](http://www.seattletimes.com).)

## Nation

**Refrigerators must be 30 percent more efficient by 2001,** according to new U.S. Department of Energy standards. The more efficient refrigerators are expected to save consumers about \$1 billion a year in electricity costs, as well as reduce air pollution from power plants. The energy saved over time is expected to amount to the output of eight large power plants. Manufacturers will also need to use insulation that will not contribute to ozone depletion. Ozone-depleting chemical refrigerants used in earlier models already have been replaced with safer alternatives. (Source: *The New York Times.*)

**Tennessee Valley Authority (TVA) plans to do without \$106 million in congressional appropriations.** Hoping to focus less on economic development and environmental maintenance and more on generating and selling electricity, TVA Chair Craven Crowell offered to give up the appropriations, and President Bill Clinton agreed to take the money out of the budget for 1998 and not include it in future budgets. Critics, both congressional and at other utilities, maintain that Crowell is giving up the money so TVA can more openly compete in deregulated electricity markets. Some critics suggest that federal power marketing agencies like TVA should be completely privatized if they are going to enter the marketplace created by the restructured electricity industry. (Source: *Congressional Quarterly.*)

# SHORTS

## U.S. State Department responds to Earth Day with "Environmental Diplomacy" report.

Secretary of State Madeleine

Albright released on Earth Day the nation's first annual state of the world's resources report, an assessment designed to focus foreign policy on the role natural resources play in national security. "Competition for

scarce resources is an ancient source of human conflict,"

Albright said. The report cites the loss of species, deforestation, increases in carbon dioxide emissions and loss of habitat among the gravest concerns facing U.S. policy-makers. (Source: *Seattle Times* Internet site: [www.seattletimes.com](http://www.seattletimes.com).)

## World

**Economists urge market-based policies to slow global warming.** More than 2,000 economists, including six Nobel Laureates, have signed an agreement calling on world governments to use approaches like carbon taxes or auctioning of emission permits to reduce the amount of so-called greenhouse gases released into the atmosphere. The economists argue that "global climate change

carries with it significant environmental, economic, social, and geopolitical risks, and that preventive steps are justified." (Source:

The Internet: [www.globalchange.org/econall/97may6d.htm](http://www.globalchange.org/econall/97may6d.htm).)

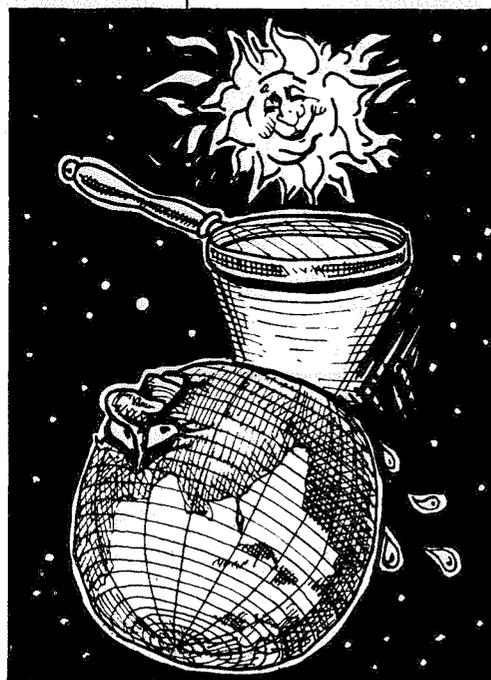
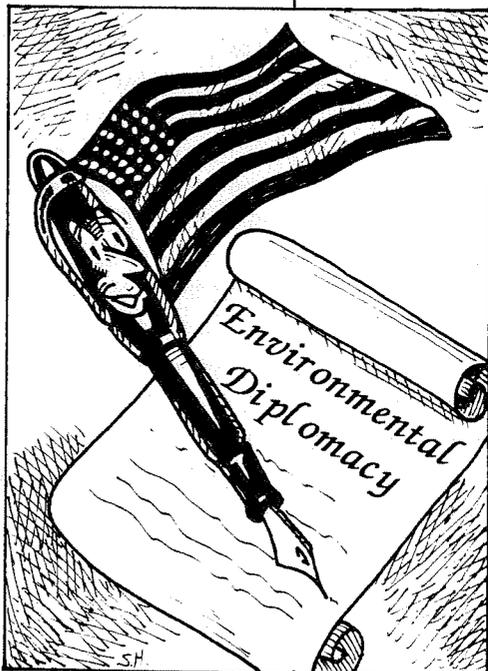
**British company builds first mass-produced fuel cell for cars.** Using a converted Subaru electrically powered van, the British company, Zevco, has installed a fuel cell they claim can be produced by the millions. Zevco expects to have the car in full production next year. Run-

ning costs for the emission-free fuel cell vehicles are expected to be about a third the cost of gasoline-driven cars. Zevco representatives also see their invention as a good match for renewable energy resources, such as wind power or solar. Energy from these resources, which only operate when the wind blows or the sun shines, can be used to separate the hydrogen out of water, producing the hydrogen gas to fuel the cells. The hydrogen then becomes the mechanism

for storing the energy. (Source: *The (London) Telegraph*.) (Editor's Note: In the United States, Chrysler Corp. has announced it could have a fuel-cell car ready for mass production in 18 years.)

**Hole in ozone matches record size.** The hole, which is about twice the size of Europe, is a seasonal event that occurs over Antarctica when atmospheric conditions concentrate industrial and power plant emissions. Last year, the hole persisted for more than 80 days, leaving the Earth below it exposed to ultraviolet rays that cause cancer and damage crops. Worldwide cutbacks in the use of chlorofluorocarbons (cfc's) will likely reduce the hole eventually, say scientists, but not for at least a decade, and the hole's shrinkage will be too slow to avert predicted

increases in skin cancers and significant damage to fragile ecosystems. (Source: *World Watch*, March/April 1997.)





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The Northwest Power Planning Council is required by an Act of Congress to develop a program to protect, mitigate and enhance the Columbia Basin's fisheries and a regional electric energy plan that provides a reliable electricity supply at the lowest cost. For further information, see Pacific Northwest Electric Power and Conservation Act-Public Law 96-501.



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# CALENDAR

**June 22-27 National Conference of Regulatory Commission Utility Engineers**, Kellogg Center on the campus of Michigan State University in East Lansing, Michigan. This is the 75th consecutive conference of NCRUCE. The theme is "The Role of Regulation in Making Utility Services More Cost-Effective," and will include sessions on cogeneration in a deregulated market, local alternative telecommunications providers, energy efficiency and partnerships between utilities. For more information, contact Dave Berquist or Ron Choura, 75th NCRUCE at 517-334-7196 or FAX 517-882-6745.

**June 24-25 Northwest Power Planning Council Meeting**, The Doubletree Hotel Missoula Edgewater (formerly the Village Red Lion), Missoula, Montana. For more information, contact the Council's central office at 800-222-3355.

**June 30 The Power Summit: Electricity Competition in the Northwest**, Boise Convention Center, Boise, Idaho. Idaho Senator Larry Craig will chair the summit, which will be co-chaired by Congresswoman Elizabeth Furse (OR), Congresswoman Helen Chenoweth (ID), and Congressman Michael Crapo (ID). The summit will examine how proposed changes to federal regulations that govern

electricity supply might affect consumers and businesses in the Pacific Northwest. Invited speakers include Elizabeth Moler, chair of the Federal Energy Regulatory Commission, and Federico Pena, Secretary of the U.S. Department of Energy. Also invited to participate are members of Congress, city officials, utility industry representatives, industrial/commercial customers and state utility commissioners. For more information, contact Krista Donahue, The Public Forum Institute, 202-467-2778, e-mail: power@publicforuminstitute.com.

**July 8-11 American Council for an Energy-Efficient Economy summer study: "How Industry Will Procure Energy-Efficiency Services in the 21st Century."** The 1997 ACEEE Summer Study on Energy Efficiency in Industry is a three-day conference that provides a forum for discussing technical, policy and program issues related to increasing the energy efficiency of industry. The study will be held at the Sheraton Saratoga Springs in Saratoga Springs, New York. Registration is \$475 per person. For more information, contact Debbie Giallombardo, ACEEE Conference office, 202-429-8873, FAX 202-429-2248, e-mail: ace3-conf@ccmail.pnl.gov.



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## *from the* **CHAIR**

Last September, Congress approved the only amendment to date of the Northwest Power Act — an amendment, proposed by Washington Senator Slade Gorton, that calls for independent scientific review of fish and wildlife recovery actions adopted by this Council and implemented through the Bonneville Power Administration. The Council welcomed that amendment as an important step in ensuring that money spent to recover our natural resources gets results. This spring we established an 11-member Independent Scientific Review Panel to carefully assess every recovery action prioritized for implementation by the region's fish and wildlife managers. Scientists on the Review Panel were all nominated by the National Academy of Sciences. We also set up an Independent Economic Analysis Board to help us weigh the costs, benefits and other economic consequences of our fish and wildlife recovery actions. I have every confidence that these two groups will greatly enhance our decision-making.



But recovering our salmon runs and protecting our natural resources also requires the advice of the people who are affected by our decisions — the people who cherish the resources and whose livelihoods are dependent on them. So I'm particularly concerned that our review processes are as inclusive as possible. At the same time, these are complex issues with serious implications and costly trade-offs. It is probably not easy for people whose primary focus is elsewhere to feel comfortable contributing their opinions to the debates. So, to help interested citizens understand how recovery actions are selected, we've prepared a guide, including the names of key advisors and decision-makers, as well as their phone numbers and addresses. Because you receive *Northwest Energy News*, you will be sent a copy. If you do not receive a copy and would like one, please contact us at the numbers on the back page of this issue and ask for the River Future brochure. Our goal is the most effective and *cost-effective* package of integrated recovery actions for our fish and wildlife. I encourage you to help us in this endeavor.

*John H. Elchert*