

"Notes by Resource Writers. Supplements may be provided."

**Regional Executives Meeting on System Operations
With State and Tribal Representatives
Friday, April 13, 2001
Airport Sheraton Hotel, Portland, Oregon**

The Regional Executives met with state and tribal representatives on April 13 from 9 a.m. to 2:15 p.m. About 50 people attended; a few others participated by telephone.

Steve Wright of BPA opened the meeting and outlined the two items on the agenda: the Northwest Power Planning Council's survival analysis, and the federal agencies' proposal for spring and summer operations.

1. Council Survival Analysis. Bob Lohn of the Council staff briefed the group on an analysis that compares fish survival for various hydro operations under this year's low water conditions. Based on the staff's analysis, the Council, at its last meeting, released an issue paper for comment and adopted preliminary recommendations for 2001 hydro operations, he said. The Council will finalize its recommendations when it meets April 24-26, Lohn reported.

The staff analysis relies on SIMPAS, the model used in the National Marine Fisheries Service (NMFS) 2000 Biological Opinion (BiOp), he said. The focus of the analysis was on the survival of juveniles through the dams; it does not purport to measure the effect of delay at the face of the dams, which we know occurs, Lohn explained. And our analysis does not include the effect on adults, which could receive some benefits if there is no spill at the dams this spring and summer, he continued. The data in the SIMPAS model does not include the mid-Columbia dams, Lohn said, adding that Council staff is currently working on revising its analysis to include those projects.

Staff analyzed four spill alternatives, he said. The base case assumes full implementation of the 2000 BiOp at all federal dams with projected 2001 water conditions; at the other end of the spectrum, we analyzed the effects of a no spill alternative, according to Lohn. Starting with 1,000 juveniles, the analysis calculates how many fish survive to below Bonneville Dam under the operating scenarios, he said. Buried in the survival numbers is the "D value," which represents the delayed mortality of transported fish, Lohn continued. We used both ends of the D value range presented in the BiOp, he added.

Lohn went over the results displayed on a series of tables. Most Snake River fish will be in barges, so decreasing or eliminating spill at federal dams has little or no effect on their survival, he pointed out. Eliminating all spill has the greatest impact on Upper Columbia spring chinook and steelhead and Middle Columbia steelhead, Lohn said, adding that a real difference in survival occurs for Upper Columbia chinook if they are transported.

The Council adopted preliminary recommendations, including full transportation of juvenile salmon and steelhead in spring and summer where that option is available; limited surface spill at John Day, The Dalles, and Bonneville dams; and establishing a mitigation fund from a portion of the revenues resulting from decreased spill. Lohn noted that at the last Council meeting, a representative of Grant PUD expressed a willingness to contribute to such a mitigation fund.

What about the Hanford Reach brights? Keith Hatch of the Bureau of Indian Affairs asked. We focused on ESA-listed stocks, Lohn replied. NMFS analyzed the effects on the Hanford Reach fall chinook, and concluded there would be a 16 percent difference in survival without spill in the lower river, according to Brian Brown of NMFS.

Did you use recent data for the survival rates through bypass systems? asked Bob Heinith of the Columbia River Inter-Tribal Fish Commission (CRITFC). Recent years would reflect good water conditions, he pointed out. We used NMFS' SIMPAS data, and we assume that's from the most recent years, Lohn responded.

We have concerns about the use of the SIMPAS model to look at 2001 water conditions, Don Sampson of CRITFC stated. He also expressed concern that the Hanford Reach fall chinook were not included in the analysis, there was no lifecycle modeling, and about the way delayed mortality is factored in. The analysis needs peer review, Sampson stated, adding that CRITFC wants the opportunity to provide scientific review and give its opinion on an appropriate analysis for this year's water conditions. He said he is concerned that the federal agencies will rely on the Council analysis to make decisions. We see a large impact to a Treaty resource, Sampson stated. When adults from this year's migration return, we will see dismal results, he said.

This is why we released the analysis for comment as an issue paper, Lohn said. Our analysis is being treated in the same way – we are looking for comments, Donna Darm of NMFS stated.

Council member Eric Bloch said he is interested in having the staff analysis revised using hydrologic conditions similar to those this year. Our results are calibrated to the eight lowest water years, but as for measuring the effectiveness of bypass systems in a low water year, we have not done that, Lohn responded. NMFS' analysis looks at survival under drought conditions and at stocks that are not ESA listed, Darm said.

Jim Ruff of NMFS explained the source of the data on bypass systems used in SIMPAS. NMFS has used the latest empirical data and taken into account low water years, he said. SIMPAS does not account for delay that might occur, Brown acknowledged, adding that getting the fish to Lower Granite Dam is a big concern this year.

A big question is how many fish we will get out of the system this year if we do not have spill, Heinith said. We don't agree with a lot of NMFS' assumptions; we need to look at the worst-case scenario and assume 1977 level mortalities, he said. We also need a full analysis of the effects of the hydro system operations on all fish, not just ESA-listed fish,

Sampson commented. The Council staff analysis is out for comment, Bloch said, urging those with concerns to respond formally by April 20. He also noted that the Council's call for a mitigation fund does not pertain only to ESA-listed fish.

Brown identified several ways in which NMFS' analysis differs from the Council's. The Council reported the survival of Snake River fish as a system survival number, but most will be in barges. We looked at the effects on in-river fish, too, he stated. With regard to McNary transport, "we are looking at it as a salvage operation," and we did not think it was appropriate to assume a level of benefit, Brown said. We also did not extend our analysis to adult survival, he said. "We didn't see the value or point" of doing that, Brown stated.

The Council staff's analysis makes positive assumptions about the effects of the hydro operations, Tim Weaver of the Yakama Indian Nation contended. You are supposed to err on the side of the fish, and "we would like to see that, as opposed to erring on the side of meeting loads," he stated.

Bloch said the Council's analysis supports the efficacy of spill. This study says that spill provides a 6 to 8 percent improvement in survival when it is looked at with in-river fish, he pointed out. "I don't know of another tool we have that does that," Bloch stated, adding that the situation in this unusually low water year, as depicted in the analysis, shouldn't be confused with a long-term view of the value of spill. We have asked the Independent Science Advisory Board to review and comment on this analysis, he added.

How will you get the fish to Lower Granite so they can be put in barges? Randy Settler of the Yakamas asked. He said agencies in Idaho reported that the fish can't get through the pools above Lower Granite Dam because of low water conditions, and they are very concerned that only a small part of the run will make it to the transport facilities. The proposed operations plan "tees that up," Wright responded.

2. The 2001 Operations Plan Proposal. Therese Lamb of BPA outlined the federal agencies' proposed 2001 FCRPS operations plan. The two components of the plan are evaluation of FCRPS conditions relative to the emergency criteria and the proposed operations, she explained. The emergency criteria are sufficient resources to meet near-term demand, sufficient resources to meet long-term demand, and sufficient cash reserves to maintain reliability.

According to BPA and Council analyses, we need approximately 54 million acre-feet to meet firm load, without jeopardizing system reliability next year, Lamb explained. The final April forecast indicates there is a 40 percent probability of actual runoff at less than 54 MAF, she continued. That probability is too great for comfort, and 25 percent was considered a more comfortable number, Lamb indicated. Jim Litchfield, representing the state of Montana, suggested there is a conflict between that criterion and the 5 percent loss of load probability risk in the federal agencies' starting principles.

With regard to meeting long-term demand, the Council's updated analysis indicates there is a 26 percent probability the region cannot meet power demand next winter, Lamb continued. Storing an additional 1,500 MW months of water in reservoirs for next year reduces the loss of load probability to 20 percent, she said. You may be able to make extra-regional purchases to meet that 1,500 MW, Rob Lothrop of CRITFC suggested. That would help, Lamb responded. Steve Kerns of BPA pointed out that there might not be sufficient imports available for purchase. What is the cost of the 1,500 MW purchase? Sampson asked, and Greg Delwiche of BPA said it would be about \$1.2 billion.

After answering other clarifying questions, Lamb moved on to criterion 3. She went over an analysis of BPA's cash reserves showing the probability of the agency having reserves of less than zero under two operating scenarios. There are no fish operations factored into the scenarios, she said. Because BPA was able to gain revenues in recent weeks, the probability of reserves being less than zero in any of the next 12 months has dropped below 20 percent in both scenarios, Lamb reported.

I'm surprised the base-case scenario does not include fish measures, Lothrop commented. It seems like you would do the analysis with fish measures to see what would happen to reserves, he said. In these studies, we assume we meet load and water accrues in the reservoirs, so there is some amount of flexible storage that could be used for other things, Lamb responded.

The Northwest Power Act calls for balancing power and fish and wildlife, Sampson stated. If you don't even include fish in your analysis, how are you complying with the Act? he asked. Sampson pointed out the possibility of having zero Snake River chinook returns. What is the probability you will meet your Treaty obligations? he asked.

We are proposing to transport all fish from the Snake and 50 percent from McNary, Darm responded. The situation is bad, but don't confuse data sets with survival, she said. We have talked about the effects of an emergency power declaration on listed and unlisted fish, Darm stated. It's fair to talk about unlisted fish, and later we'll discuss mitigation for those impacts, she said.

Settler asked for the opportunity to have an independent analysis of the information to aid tribal governments in their understanding of the assumptions and options. These have impacts on our Treaty rights, and "it would be a good faith gesture to do that," he added. The power emergency is allowing BPA not to meet its responsibilities under the BiOp, Settler said. We need to be able to do an independent analysis of this to understand it more fully, he indicated.

Wright said the Council staff reviewed BPA's analysis. We have loads and resource data that we do not want to expose to the market, he added. We asked BPA not to oversubscribe its system, but you did by 3,000 MW, Settler responded. "The tribal governments do not have one seat on the Council" – I am asking for assistance to do this analysis, he stated.

The mitigation for the fish killed in 1977 was to close down the tribal fishery, while the federal agencies still generated power, provided irrigation water, and served other needs, Weaver said. We had to go to court to get fish for ceremonial purposes, he pointed out. The tribes can't listen to this talk about BPA's emergency without thinking there has to be some "tit for tat," Weaver stated. What will happen when the fish are supposed to come back as adults? Will BPA say "the tribes have an emergency, and we need to do something?" he asked. You need to talk about what you will do for people under those circumstances, and you need to plan in the mitigation for your Treaty responsibilities, Weaver said. "When the tribes take a hit, they don't get to declare an economic emergency," so build this in, it's only fair, he advised.

We should make mitigation part of the discussion here, Bloch agreed. It would help the dialogue and debate if we talk about some the type of mitigation package, he said.

According to a table that "puts it all together," we need to see a 60 MAF forecast in May to meet all of the criteria – we need 4 MAF beyond what is forecast now to get there, Lamb stated. That possibility seems pretty remote, Lothrop commented. You'd have to get well above normal precipitation to get over 60 MAF now, Ken Pedde of the Bureau of Reclamation pointed out.

Is this "raising the bar" on what we need in order to do the salmon measures? Sampson asked. This sets out what we need in order to stay out of a power system emergency, Lamb responded. "It seems like the bar is being raised as we go," Sampson stated.

Lamb went on to describe "a decision tree" that sets up the path for decisions from May through August. You say nothing here about April, Heinith pointed out. The tribes have a request in for spill at Bonneville Dam for the platform fishery, he said. If you go with these criteria, the assumption is you will not have spill in April, Doug Arndt of the Corps of Engineers responded.

Lamb summarized the federal agencies' proposed spring/summer operations:

- Spill start date and spill levels to be determined based on volume forecasts
- Transport up to 50 percent of juvenile migrants in the spring from McNary
- Surging operation at Lower Granite to move juveniles through the pool
- Refill priority at headwater projects: Dworshak, Libby, Hungry Horse
- Allow consideration of reduced minimum bull trout flows at Libby to aid refill.

Mary Lou Soscia of the Environmental Protection Agency pointed out that EPA will model the implications of Dworshak refill for meeting Clean Water Act standards.

The near-term operations, according to Lamb, include: maintain Vernita Bar flows through the end of April; no spill for in-river or hatchery fish in the second half of April; implement MOP as in-season management recommends, but remove it if capacity problems occur; and begin spring transport at McNary when the Section 10 permit is complete. The federal agencies are seeking input on the proposal through April 20, 2001, Lamb said, pointing out that comments should go to Suzanne Cooper at BPA.

3. Offset Mitigation Measures. It's my intent to have a solicitation for offset measures to mitigate for the power system emergency, Wright said. We want to do this in an expedited way, he added. My goal is to identify offset opportunities and get them going this year; we don't want to have lost opportunities, Wright explained.

4. Issues Raised by Participants. Wright asked for issues the participants wanted to discuss after seeing the federal agencies' proposal. The list included: summer operations; emergency operations for fish; plan for blackouts; mitigation fund; scenarios for fish and power next year; schedule for final operations plan; BPA's financial situation October 1, 2002; pool elevations in response to tribal request; Dworshak refill vs. surging operation at Lower Granite; Brownlee; response to tribal comments on principles; and proposal for Treasury payment deferrals.

Pool elevations: We met with the tribal staff yesterday, and we think we can continue the elevations requested at Bonneville pool, Arndt stated. We think we can do what you've asked with the pool elevations even with the power system emergency, he said. We will supply the operation, Cindy Henriksen of the Corps agreed. In the past, the elevation at Bonneville has been a hard constraint, with the elevations at the other pools, a soft constraint, she explained. Could you agree to a hard constraint at the other projects? Heinith asked. "It's up to BPA; that has an impact on power," Henriksen responded. In the meantime, we will work under the current operation, which has given you the elevations you want, Arndt said. Is this request different from what has occurred in the past? Wright asked. The Corps said it is. We want pool elevations maintained two and a-half days a week, Sampson requested.

The other part of our request is to have spill for the platform fishing, Heinith said. You are not willing to give us the spill? he asked. That's right, Wright responded. Settler pointed out that the harvest for the subsistence fishery has been slow so far. "The platforms are high and dry," he said. Even with no fluctuation at the pools, people can't catch fish from the platforms, Settler said. We're catching less than 1 percent in our subsistence fishery, so the elevations are not aiding the tribal fishery, he stated. So you don't expect to be able to catch salmon up to the harvest rate? Wright asked. Without spill at Bonneville, we can't catch fish from the platforms, Heinith responded.

This is our first commercial fishing season in 24 years, Settler pointed out. Upstream, we'll use gill nets, he said. The subsistence fishery is not successful this year because of the low reservoir elevations, Settler said.

The tribes will be able to catch the fish, but this is an issue related to the allocation of fish to the subsistence and platform fishery, Darm said. The way the pools are maintained affects Treaty rights, Sampson stated. To date, we have been able to maintain the pool elevations you asked for, but for the platform fishery, "the bottom line is between now and May you will not have spill," Arndt stated. We have not had the full pools we asked for or the spill to bring fish to the platforms, Heinith pointed out.

Delwiche said he would hesitate to have the fishing elevation as a hard constraint at The Dalles and John Day. "Mother Nature may get in the way," and we would set ourselves up for not being able to deliver 24 hours of every day, he stated. On spill, we are headed to having no spill for the next two weeks, Wright reiterated.

Surging operation at Lower Granite: A surging proposal was circulated through the TMT, Brown explained. The proposal is aimed at trying to get fish through the Lower Granite pool to the first dam, he said. We have been talking about the best way to use the limited water this year to get fish going, Brown stated. He described the proposed surging operation, which would use some stored water from Brownlee and Dworshak reservoirs over a four-week period beginning at the end of April. The operation would not allow flows to go lower than they would have been otherwise, Brown added. Idaho Power's cooperation with regard to water from Brownlee "is limited," he acknowledged. They are full at Brownlee and plan to stay full, Brown said.

If there is no agreement with Idaho Power about using water from Brownlee, the question is whether we do the operation using only water from Dworshak, he continued. The operation drafts the reservoir down, and there would be less water for other purposes like temperature control, Brown said, adding that the agencies would like input on the surging proposal. A decision must be made within two weeks, and the issue will be on the table at TMT, he concluded.

Is there an RPA in the NMFS BiOp that pertains to Brownlee? Lothrop asked. Brown responded that there is nothing related to the Hells Canyon complex in the 2000 BiOp. We submitted a draft to them last July, but it has not gone any further, he said.

Heinith said the Fish Passage Center will be submitting a letter opposing the surging operation. The states and tribes have a lot of concern about using water from Dworshak, he said, adding "we need to get water from Brownlee." Do you support the surging operation or do you want water from Brownlee? Brown asked. We'd say use the water from Brownlee to put on top of the hydrograph to help flows, Heinith responded.

Is a pulsing operation without flow augmentation possible? Litchfield asked. He suggested that if fish are delaying at the dam and need help finding the outlets, pulsing could make sense. If you jump up the operation, "you see a slug of fish come through," Brown agreed. The fish congregating at the dam might be helped with the surging operation without flow augmentation, but it wouldn't necessarily help fish 15 miles upstream, he said.

What do we do about Idaho Power? Weaver asked. Isn't their refusal an unauthorized take? he inquired. There is some legitimacy to their argument that they will not affect spring migrants, Brown responded. The 2000 BiOp does not have water from Hells Canyon, he added. If there's no ROD on the 2000 BiOp, aren't we still operating under '95 and '98? Heinith asked. I assumed we were operating under a new BiOp, Brown replied. "Legally, technically we are operating under the '95 and '98," Gayle Lear of the

Corps said. But we are using the new BiOp for making decisions, she added. Brown pointed out that previous BiOps didn't require the action from Idaho Power either.

Price is the issue in persuading Idaho Power, Darm said. The question is whether the price is worth it and whether surging is important enough "to mount an all-out effort to convince Idaho Power," she said. It's not necessarily for surging, but how do we get water out of the project for fish – for flow augmentation? Heinith asked. What about the Council's program that calls for water from the upper Snake? Darm asked. The Council fish and wildlife program calls for 110,000 acre-feet out of the upper Snake, Brown confirmed. Will the Council ask Idaho Power to fulfill that operation for its program? Darm asked. Let's talk about it, Bloch responded.

Dworshak is very important in what happens after July, Litchfield stated. We ought to try to come up with some surging operation that would work without it, he suggested. Even if we can't get the water out of Brownlee, let's not leave the fish at the face of the dam, Litchfield advised. So you are proposing using surging as part of the operations plan without flow augmentation, Arndt clarified.

I suggest we not talk about operations that have not been vetted through the TMT, Bloch said. I'm not prepared to make decisions about that, he added. We'll take it up in TMT, Roy Sampsel of CRITFC agreed.

There is a policy question here, Bloch stated: are we using all of the risk mitigation tools in our toolbox? If we have some water, are we using the means at our disposal to get at it? he asked. We are in a crisis situation with power and our goal is to inflict minimum harm on salmon, Bloch pointed out. If getting water out of Brownlee can aid us, we should do it, he said. And at what price, Wright said. Yes, we ought to be pursuing it both from the price and the biological benefit angles, Bloch agreed.

Summer operations: Lamb described the summer operation proposed under the draft operations plan. If you have the opportunity to spill in July and August, this is what you'd do, she said of the plan. What is the chance we can meet load and refill to the BiOp elevations? Litchfield asked. The operations we developed plan for refill at 54 MAF, Kerns said. We need some lead time to take the system down gradually for bull trout, Litchfield said, and Lamb assured him the issue is addressed in the operations plan.

Blackout plan: We have a blackout plan, which varies depending on the situation, Delwiche responded. The transmission people are the ones who deal with an imminent blackout, and they are currently updating the plan because the DSI load is no longer on the system, he said. Has BPA considered blackouts to get us through this situation; not necessarily as an emergency, but to help us now? Weaver asked. We can buy down industrial load, "but rolling blackouts across the system is a non-starter," Wright replied.

Have you polled people on this issue? Terry Courtney Jr. of the Warm Springs Tribe asked. "People can adapt, but fish cannot. This is a people problem, and it cannot be put onto the fish," he said. There is a lot we could do, and the utilities would be eager to

work with other groups to get the information out, Rob Walton of the Public Power Council stated. Wright suggested a follow-up discussion on blackout planning if more information is needed.

Emergency actions for fish: I haven't seen the Clean Water Act mentioned in this proposal at all, Heinith said. What will you do if the fish get into bypass systems where the water is too warm? Will you do something to get them out? he asked. The fish passage plan does address that issue, Arndt pointed out. We need to discuss that further and bring an answer back to you, Wright said.

Mitigation plan: We will be seeking solicitations to mitigate for the effects of the power system emergency, Wright said. We need to do this in an expedited way, so we can do things this year that might otherwise become lost opportunities, he explained. I'd like a process to do this formally, Wright stated.

Are you considering conservation as a part of this? Soscia asked. Wright said BPA is trying to get load off the system next year. Steve Crow of the Council staff asked for other details about the solicitation, but Wright said the idea was not that far along. We want to look for true lost opportunities, and we want proposals to be targeted to the power emergency, he added.

The tribes and U.S. government need to discuss mitigation, Sampson stated. We are not interested "in going through the NWPPC funding hoopla," but we want to talk about mitigation for the loss of Treaty fisheries, he said. Crow pointed out that there might be more than \$19 million available for the high-priority fisheries projects that were recently funded. BPA will have money from the power emergency, Lothrop said.

The place to start is *not* with what it costs to avoid a power system emergency, Wright stated. The discussion we want is on biological impacts – what are the impacts and what is the least-cost way to mitigate for them, he explained. "If there is a \$1 billion incentive for BPA to avoid fish operations, that is a whole lot of pressure" – we need to deal with that, Lothrop stated. We won't know the true damages for 2001 for three years, when the fish are supposed to come back – we need to look beyond next week, Weaver said.

This is a very significant issue, and we need to reserve time to discuss it in a couple of weeks, Bloch said. Does BPA have a financial incentive not to engage in the fish operations? he asked.

Has the federal caucus discussed the mitigation fund? Crow asked. "Our view is to stick to the biological facts," Darm responded. We want to analyze the impacts to fish and mitigate for that, she stated. Our position is that the system needs to be operated to get the maximum number of fish through the hydro corridor, Darm said. We have not supported the idea that any money BPA saves would be used for fish, she added. Our view is to figure out the impacts and mitigate for them, Darm reiterated.

You are just talking about listed fish, Weaver responded. We are concerned about the entire resource and the tribes' Treaty rights, he said. That's a good point, Darm replied. Where does that lead you in terms of a mitigation fund? Conceptually do you support it? Crow asked. Yes, you ought to have one, Darm replied, adding that it needs to be thought through. It's not too difficult to quantify the effects of the hydro operations, but it is difficult to quantify the benefits of various mitigation approaches, she added.

What are the probabilities of your meeting the Treaty obligations to tribes? That is the law, Sampson stated. We have not seen anyone analyze that, he said. We have pointed out various financial tools BPA could use to get out of this situation, Sampson said. We need to give BPA an incentive to provide benefits to salmon, he added. Your proposal says "first you balance BPA's financial health and last you worry about fish" – we are far from getting where we need to be, Sampson stated. How do you intend to do an analysis that meets the Treaty obligations? he asked.

We'll do the analysis, Darm responded. That's why we brought up the idea of a mitigation fund, and we want other ideas, she said. There will need to be a lot of discussion about how to put together a mitigation fund, Sampsel stated.

I agree with Donna, Bill Shake of the U.S. Fish and Wildlife Service stated. We need to identify what are the highest priority mitigation measures to do this year, he said. With bull trout and sturgeon, it's not as immediate a problem, Shake observed. He suggested that species recovery plans would be great guidance at times like this and should be prepared. Wright said the federal agencies would set up a discussion about how the mitigation fund will come together.

It looks to us like the threshold for declaring "a fish emergency" is much lower than the threshold for triggering the cost recovery adjustment clause (CRAC), Lothrop observed. It is in BPA's financial interest to call a fish emergency rather than declare the safety net CRAC – you ought to be thinking about triggering the CRAC on October 1, he said. You have new financial tools on October 1, and you need to have those on the table, Lothrop added. I'd hate to see a situation in which you declare a fish emergency, then you give your customers big dividends, and the next year you face a fish emergency again, he said.

I don't know what more I can do to make it clear that we have a real power emergency – we have said that it will take more than just leaning on fish to solve this, Wright stated. Let's talk about the criteria for triggering the safety net CRAC, Lothrop urged. Wright said Jim Curtis would follow up with Lothrop on the issues he'd raised.

Schedule for completing the operations plan: Our goal will be to get comments on the proposed plan by April 20 and come back with a revised version in a couple of weeks, Wright said.

BPA's finances: Jim Curtis of BPA explained how BPA is using the 4(h)10(c) credits. He said BPA makes Treasury payments over the course of the year. Lothrop asked if there is any ability to adjust the payments to help with BPA's financial circumstances.

We could correspond with OMB and Treasury about this, he offered. Wright said Curtis would follow-up with Lothrop on the discussion.

Sampson said he wanted to get on record with the concerns stated in a CRITFC letter to the federal agencies. The letter suggests ways BPA could deal with its financial emergency, including triggering the CRACs to maximum levels, exhausting borrowing authority, and using the borrowing authority of its customers, he said. We have suggested you consider deferring the Treasury payment, but we have not seen any analysis of what that proposal would do, Sampson said. We were told not to worry, that BPA would defer its Treasury payment before foregoing salmon recovery measures, “but now we are hearing something different,” he stated.

Agenda for future meeting: Wright said the group would meet again April 27, and he asked for suggestions for the agenda. Sampsel suggested the agenda include recaps of the other discussions that are going to take place on specific issues. Suggestions for the next agenda include: operation plan update; McNary transport; comment and response on emergency criteria; surging operation; mitigation plan; Clean Water Act; blackouts; and BPA’s finances. We need to identify the key operating decisions that are coming up and get that information out to people, Wright said.

The Council is going to be adopting final recommendations on system operations later this month, Brown said. How do we put those together with what we are doing? he asked. The recommendations will be to you folks – we know you make the decisions, Crow responded. I don’t see a conflict – we are open to comments on our preliminary recommendations, he added.

On Tuesday, April 3, we declared a power system emergency, Delwiche said. We will reissue the emergency and extend it for two weeks on Monday, he said. There was some discussion of whether the next meeting should be postponed until after May 1, when a new volume runoff forecast is available. The group agreed to meet again April 27.

The meeting adjourned at 12:15 p.m.

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