
CHELAN RIVER BIOLOGICAL OBJECTIVES 2013 STATUS REPORT

LICENSE ARTICLE 408

Draft

**LAKE CHELAN HYDROELECTRIC PROJECT
FERC Project No. 637**

March 15, 2013



**Public Utility District No. 1 of Chelan County
Wenatchee, Washington**

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SECTION 1: INTRODUCTION

The Lake Chelan Hydroelectric Project (Project) is owned and operated by the Public Utility District No. 1 of Chelan County (Chelan PUD). The Federal Energy Regulatory Commission (FERC) license for operation of this project (License), issued on November 6, 2006, authorizes Chelan PUD to operate the Lake Chelan dam and powerhouse for a period of 50 years. As part of the normal operation of the Project, Chelan PUD withdraws water from Lake Chelan for power generation and discharges that water through the powerhouse into an excavated tailrace, which leads to the confluence of the Chelan River and the Columbia River. Flows released from the Chelan Dam follow the natural channel of the Chelan River, joining with the powerhouse tailrace flows and discharging to the Columbia River. As a requirement of the new License, minimum flows were established for the Chelan River and that flow was initiated on October 15, 2009.

The License incorporated conditions regarding biological objectives that were anticipated to be achieved in the Chelan River and Project tailrace. These biological objectives are set forth in the Chelan River Biological Evaluation and Implementation Plan (CRBEIP), which is part of the Lake Chelan Settlement Agreement (October 8, 2003) and is incorporated into the License as Appendix A. The Washington State Department of Ecology (Ecology) incorporated these biological objectives into their 401 Water Quality Certification for the Lake Chelan Hydroelectric Project (Certification) and the FERC, in turn, incorporated the terms and conditions of the Certification into the License. One of the conditions incorporated into the License requires Chelan PUD to file Biological Objectives Status Reports every two years, beginning four years after the effective date of the License. On March 11, 2010, Chelan PUD filed for an extension of time to complete the structural changes to the Project necessary to implement minimum flows and other measures necessary for achievement of the biological objectives, and also to change the dates for the Biological Objectives Status Reports such that they would begin four years after implementation of the minimum flows. On May 19, 2010, FERC granted this time extension, which set the date for the first report to be due April 30, 2013. The License requires that a draft report be provided to Ecology and the Chelan River Fisheries Forum by February 28, 2013.

The Biological Objectives Status Report is to: (1) summarize the results of monitoring and evaluation program detailed in the CRBEIP and evaluate the need for modifications to that program; (2) describe the degree to which the biological objectives have been achieved, and the prospects for achieving those objectives in the next reporting period; (3) review management options taken to meet those biological objectives; and (4) recommend any new or modified restoration and/or monitoring and evaluation measures that are needed to meet, to the extent practicable, the biological objectives. Such recommendations shall contain a schedule for timely implementation. The Chelan River study reaches and biological objectives are shown in Figure 1-1 and Table 1-1.

This report describes the results of monitoring and evaluation programs that have been implemented since placement of spawning gravels in the Project tailrace (2008) and completion of the spawning and rearing habitat in Reach 4 of the Chelan River (Habitat Channel) and implementation of minimum flows (October 2009). This report is organized into four sections

Figure 1-1. Chelan River Study Reaches and Objectives.

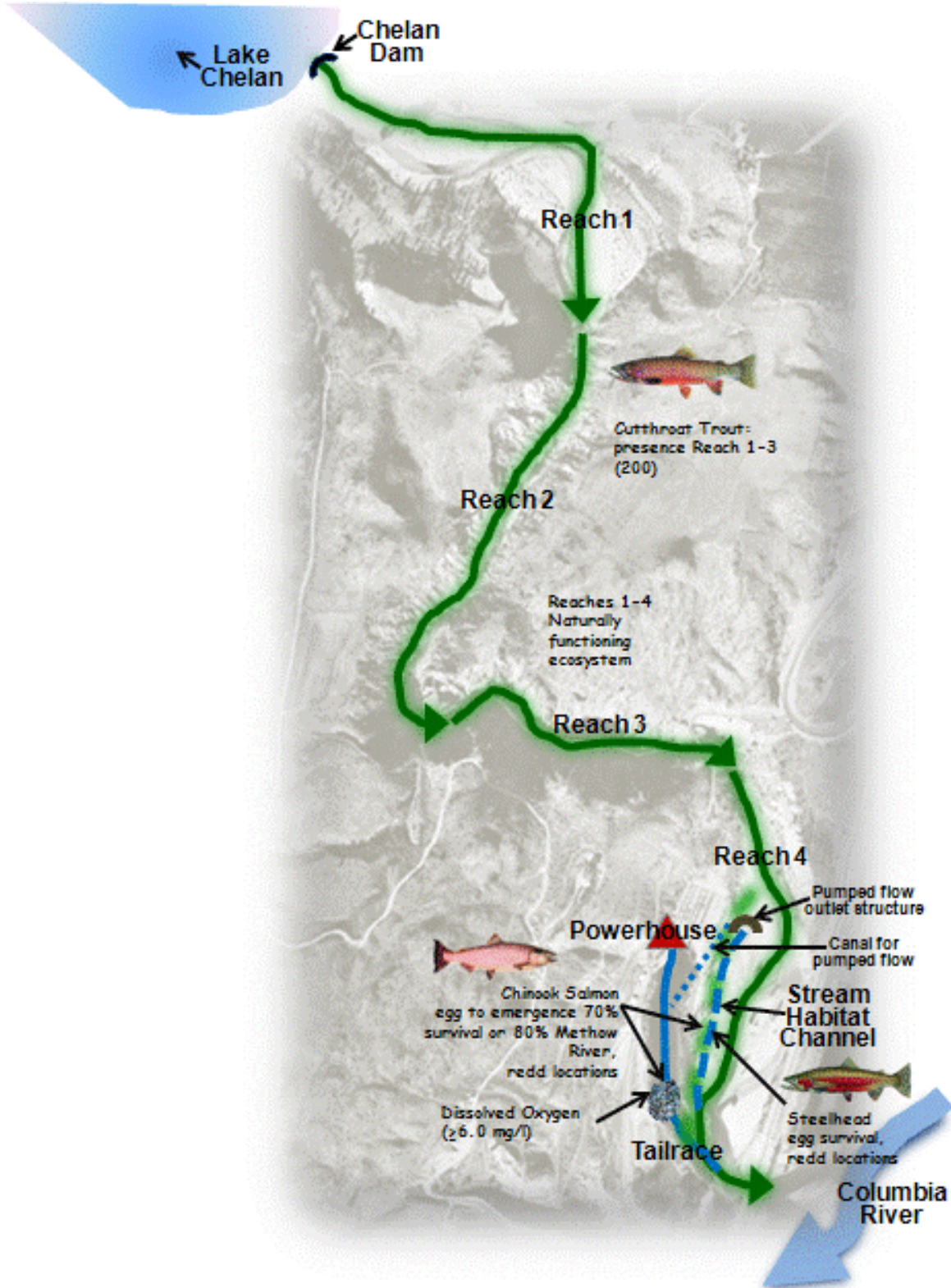


Table 1-1. Chelan River Biological Objectives.

Biological Objective		Location	Status	Expected Outcome
Chinook	Adult production	Habitat Channel, tailrace	Ongoing - 2019	Will achieve
	Spawning habitat	Habitat Channel, tailrace	Complete	Achieved. 2 acres Habitat Channel ; 1.75 acres tailrace
	Spawning habitat use	Habitat Channel, tailrace	Ongoing - 2019	Achieved. 2010/398 redds, 2011/413 redds, 2012/426 redds
	Spawning habitat quality	Habitat Channel, tailrace	2011 - 2015	Will achieve. Dissolved oxygen study. Likely achievable with one turbine at minimum generation every 4 hours December – March. Other alternatives may be studied.
	Spawning success	Habitat Channel, tailrace	2011 - 2015	Will achieve
	Juvenile rearing success	Habitat Channel, tailrace	2009 - 2019	Will achieve
Steelhead	Adult production	Habitat Channel	2014 - 2019	Will achieve or agree likely met. Habitat Channel only because no steelhead have been observed spawning in tailrace to date.
	Spawning habitat	Habitat Channel	Complete	Achieved. 2 acres R4
	Spawning habitat use	Habitat Channel	Ongoing - 2019	Will achieve. 2010/16 redds, 2011/22 redds, 2012/7 redds. Habitat Channel only because no steelhead have been observed spawning in tailrace to date.
	Spawning habitat quality	Habitat Channel	2011 - 2015	Will achieve. Habitat Channel only because no steelhead have been observed spawning in tailrace to date.
	Spawning success	Habitat Channel	2011 - 2015	Will achieve
	Juvenile rearing success	Habitat Channel	2012 - 2019	Will achieve or change water quality standard to best attainable use –Use Attainability Analysis (UAA)
Cutthroat	200 resident fish	(R1-3)	2009 - 2019	Will achieve or recommend new goal to Chelan River Fishery Forum. Change water quality standard to best attainable use –Use Attainability Analysis (UAA)
Temperature	Settlement Agreement operations to facilitate objectives	R1-Habitat Channel	2009 - 2019	Will achieve biological objectives. Change water quality standard to best attainable use –Use Attainability Analysis (UAA)
Flow	Settlement Agreement operations to facilitate objectives	Penstock, R1, Habitat Channel	2009 - 2019	Achieved. Minimum flows, Habitat Channel pumped flows for spawning, seasonal ramped up flows

that pertain to specific biological objectives described in the CRBEIP: (1) Chinook and steelhead spawning and incubation; (2) Chinook and steelhead rearing; (3) Reaches 1-3 fish community with emphasis on cutthroat trout and use of Reach 4 by other species; and (4) monitoring of factors that meet or limit achievement of a functional aquatic ecosystem. There are specific measurement objectives for the first three sections of this report, such as spawning survey counts, distribution of redds, intragravel dissolved oxygen levels, egg – emergence survival rates, presence of rearing juveniles, and, for cutthroat, presence of 200 fish including various age classes. The fourth section of this report pertains to general ecological measurements of habitat quality, including both natural limiting factors and Project effects, as they pertain to achievement of a community of organisms that is healthy and diverse (CRBEIP, 4.1). The monitoring and evaluation programs addressing ecosystem function include water temperature monitoring, other water quality assessments, aquatic macroinvertebrate sampling, riparian zone regeneration, and other stream characteristics that may be noted during snorkel surveys and other activities.

SECTION 2: CHINOOK AND STEELHEAD SPAWNING AND INCUBATION

2.1 Chinook Spawning Redd Surveys

The CRBEIP states that “salmon and steelhead spawning habitat will be created in Reach 4 and the tailrace, with the objective to create suitable depth, cover, velocity and substrate conditions for these fish. These parameters can be measured independently of fish use, although fish use is the best evidence of achievement. The criteria for achievement are to document that habitat was created and maintained, in accordance with the preference curves established in the IFIM study. Alternatively, if adult fish runs are strong and colonization occurs during the evaluation period, then the presence and success of spawning fish will also be considered in the determination of achievement. Achievement will be evident if spawning fish are distributed in suitable areas in the tailrace, Reach 4 and below the confluence of Reach 4 and the tailrace. Lack of fish will not be termed a failure without evidence that a Project effect prevented fish from using the habitat.”

Chinook salmon spawning has been observed in the Project tailrace at its confluence with the Columbia River since the 1980s, with redd counts prior to 1993 ranging from 16 – 69 redds per year (Chelan PUD, 1991). Documented redd counts (Hillman, personal communication) since 1998 (Table 2-1) steadily increased over the years as bed load accumulations increased the area of useable spawning habitat, which was a result of natural gravel movement during spill operations under previous licenses for the Project. The fish per redd (FPR) and escapement estimates in Table 2-1 are based on the male:female sex ratio of summer Chinook sampled at Wells Dam (Hillman, personal communication).

Since gravel placement in the tailrace and construction of the Habitat Channel, the combined Chinook redd counts in the tailrace, in the Habitat Channel and in the Columbia River below the confluence have increased from 86 in 2007 and 153 in 2008 to 426 in 2012 (Table 2-2). These redd counts include redds believed to be from coho based on either their late timing or observations of fish on the redds (20 in 2009, 5 in 2011). Prior to 2008, the highest redd count was 253.

Table 2-1. Chelan River Chinook Redd Counts and Escapement Estimates.

Year	FPR	Redds	Escapement
1998	3.00	30	90
1999	2.20	63	139
2000	3.40	196	666
2001	4.10	240	984
2002	2.30	253	582
2003	2.42	173	419
2004	2.27	185	420
2005	2.93	179	524
2006	2.02	208	420
2007	2.20	86	189
2008	3.25	153	497
2009	2.54	246	625
2010	2.81	398	1118
2011	3.10	413	1280
2012	3.07	426	1308

Table 2-2. Chelan River Chinook and Coho Redd Count Distributions.

Year	Tailrace	Reach 4	Columbia R	Total
2008	153	NA	In tailrace count	153
2009	129	79	58	266
2010	234	115	49	398
2011	192	178	48	418
2012	231	139	56	426

The distribution of these redds appears to meet, for Chinook, the biological objective to create salmon and steelhead spawning habitat Reach 4 and the tailrace. As stated in the CRBEIP: “Achievement will be evident if spawning fish are distributed in suitable areas in the tailrace, Reach 4 and below the confluence of Reach 4 and the tailrace”.

2.2 Steelhead Spawning Redd Surveys

Steelhead spawning has been observed in Reach 4, primarily in the Habitat Channel, in each of the three years since steelhead spawning flows were first provided in 2010. The number of redds has varied, with 11 redds in 2010, 21 redds in 2011 and 7 redds in 2012. The first redds observed have been during the last week in March, with the majority of spawning initiated in April into the first week in May. In 2011, one redd was initiated at the end of May. Steelhead redds have been distributed throughout the Habitat Channel and a few redds have been in the pool formed by the hydraulic control structure. Only one redd, in 2011, has been observed below the Habitat Channel. However, that redd was at the edge of the shoreline in flow that was coming from the Habitat Channel. Most of the redds have been in the vicinity of cover from either boulders or log

structures. Steelhead redds have been located in areas with smaller substrate, primarily in sandy gravels less than two inches in diameter.

2.3 Chinook Redd Protection Flows

The License required that the Project be operated to achieve the CRBEIP biological objective to provide conditions suitable for Chinook salmon survival from egg to emergence. Specifically the requirement is to operate the Project powerhouse to maintain intragravel dissolved oxygen (IGDO) levels of 6.0 mg/l or higher to support survival of Chinook salmon from egg deposition to emergence. If it is not reasonable and feasible to operate the powerhouse to meet this requirement, or if the spawning gravel placed in the tailrace does not have sufficient permeability to meet this requirement, then the CRBEIP allows for alternative actions, such as use of the pump station to increase water circulation in the tailrace or physical modification of the habitat through addition of more permeable substrate and/or use of pumps and pipes under the substrate to create upwelling flows within the spawning gravel.

A study conducted during the relicensing investigations indicated that IGDO levels of 6.0 mg/l may be maintain within Chinook redds during extended periods with no generation or flows from the powerhouse. BioAnalysts, Inc (2003) reported “At no time during the different treatment periods did the average IGDO level fall below 7.0 mg/L, nor did individual redds experience prolonged exposure to IGDO levels below 6.0 mg/L. The lowest recording was 5.2 mg/L, which occurred briefly during treatment 5 (three-day powerhouse shutdown) in a deep-water redd (>6 feet deep).” Based on this information, studies to determine the level of powerhouse operation needed to meet IGDO requirements were initiated in the fall of 2011. For prior years through the spring incubation period of 2011, powerhouse operations and pump station operations were scheduled to provide flow circulation intended to meet or exceed conditions tested in 2003. These operations are described in the Annual Flow Reports for 2009, 2010 and 2011.

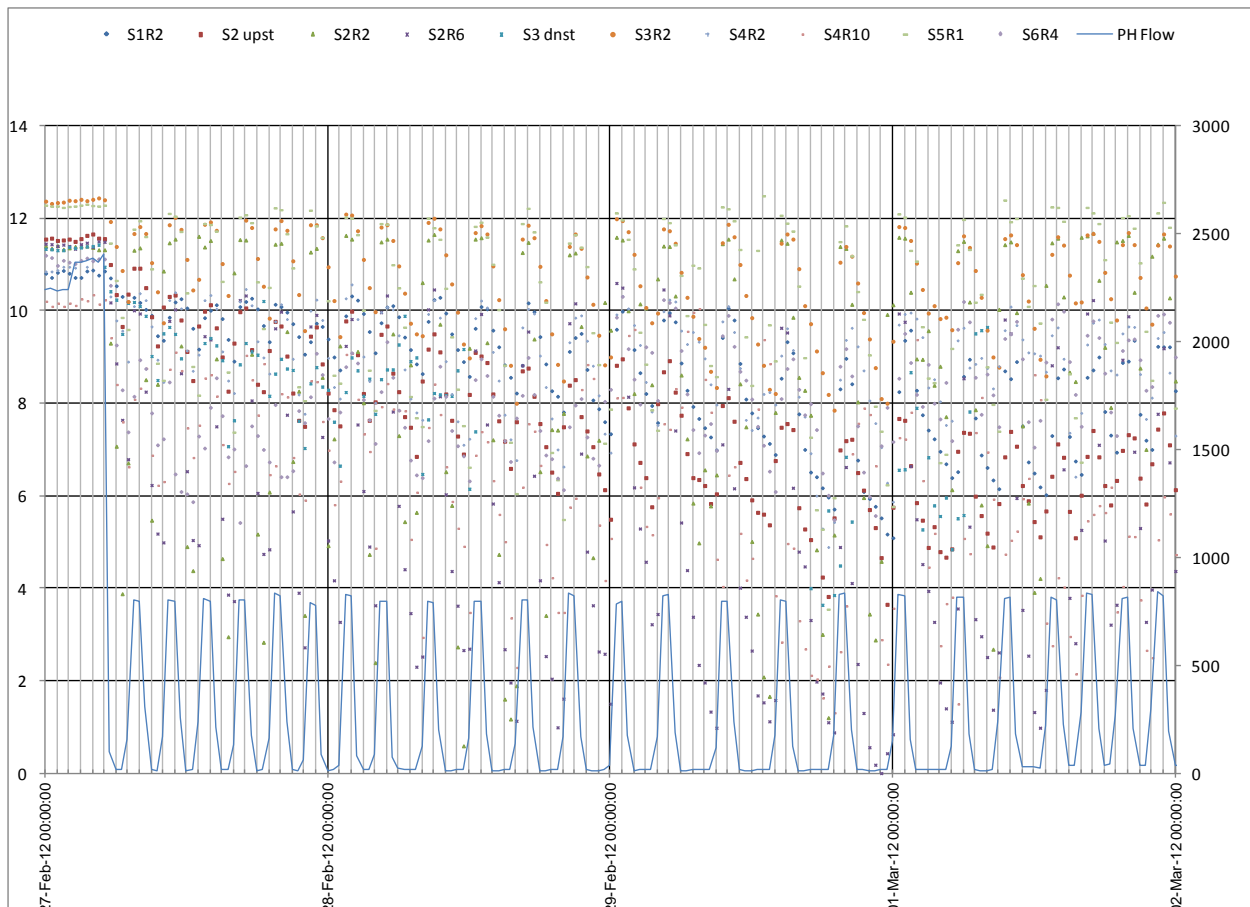
The IGDO study conducted from December 2011 – March 2012 determined that IGDO may not have been maintained at or above 6.0 mg/l in Chinook salmon redds during extended periods when the powerhouse was not operating, at least not after March 1. The study plan intended to monitor ten redds with dissolved oxygen and temperature sensors (Hydrolab Minisondes) replicating the study methods used in 2003, but with greater replication (ten redds instead of five) to cover the greater extent of spawning area that exists now that spawning gravels have been placed in the tailrace. The IGDO study was combined with an egg-emergent fry survival study to address that component of the biological objectives (discussed in the next section).

Due to low snowfall and early concern regarding the ability to meet refill target elevations for Lake Chelan, a series of powerhouse on/powerhouse off tests were conducted in December, 2011 and early January, 2012. Due to some equipment failures, only four Minisondes were in operation during this test cycle, but the IGDO levels generally remained above 6.0 mg/l even during periods of up to 23 hours with no powerhouse flow. In one of the redds, IGDO excursions below 6.0 mg/l occurred on four occasions, but these happened during short periods with no powerhouse flow. Testing between January 6-17 continued, with five Minisondes in operation. Periods of up to 11 hours duration, with only an hour with one unit running at minimum output, demonstrated that IGDO levels remained well above 6.0 mg/l, with the exception of the fifth redd, which had low IGDO during the longer periods with no powerhouse flow. More

Minisondes were installed on January 17, with all ten Minisondes in operation after January 31. Tests continued from January 17 – 31, with different durations of periods with no powerhouse flow, and IGDO levels remained generally well above 6.0 mg/l. Due to higher runoff forecasts, testing of periods with no powerhouse flow was discontinued until late February in order to draft water from Lake Chelan to increase Chelan PUD’s ability to limit spill levels during summer snow melt in order to protect the Habitat Channel from high flows expected in June and July.

Testing resumed the last week of February, but these tests gave different results. Tests were scheduled to determine if periods of one hour at minimum generation, followed by either two, three or four hours with no powerhouse flow, would be adequate to protect Chinook salmon redds. These tests showed IGDO levels declined to below 6.0 mg/l in three of the ten redds within just a few cycles of only two hours with no powerhouse flow. The cycles with three hours of no flow resulted with three redds dropping below 4 mg/l and two other redds dropped to around 5.5 mg/l. The four hour cycles showed that nine of the ten redds had IGDO excursions below 6.0 mg/l, with several showing very low IGDO levels (Figure 2-1). IGDO levels returned to above 6.0 mg/l after four hours of continuous minimum generation in nine of the ten redds.

Figure 2-1. IGDO Levels In Chinook Redds During Spring Tests, 2012.



During the removal of the Minisondes in late March, the divers doing the work commented on the heavy growth of periphyton, particularly what appeared to be *Didymo*, on the river bed. *Didymo* blooms have been mentioned in the literature as possibly causing reduced intragravel flows and survival in trout redds (Bickel, T.O. and G.P. Closs 2008). The divers were the same individuals from BioAnalysts that had conducted the study in 2001, and they did not recall any such heavy periphyton growth covering the Chinook redds during that study. Since algal blooms are commonly related to increasing day length and water temperatures, it is possible that the growth of a thick periphyton mat over the redds occurred between the tests from December and January and the tests in late February and March. The difference in IGDO level response between the early test periods and the last testing may have been, at least in part, related to algal growth fouling the gravel surface where water exchange occurs.

A new series of tests is in progress during the 2012-2013 Chinook salmon egg incubation period. In this test, again ten Chinook redds are being monitored with Minisondes (Figure 2-2). However, in this study the tests have gradually approached testing periods of time with no powerhouse flow. At the time of preparation of this draft report (March 7) the test cycles began with short periods of only minimum generation (about 800 cfs) with full flow (2,500 cfs) most of the time, which then progressed to running full time at only 800 cfs, then cycles of two hours at 800 cfs, followed by two hours of no flow. During two 3.5 day test periods with that operation (February 15 – 18 and February 22-25), the IGDO levels remained above 9.0 mg/l in all redds except for one, where the IGDO dropped to near 7.0 mg/l.

Tests since February 25, 2013, have focused on identifying an operation that will maintain oxygen levels above 6.0 mg/l, but minimize powerhouse operation so that Lake Chelan can be refilled to meet lake level targets in May and June. Beginning February 26, test operations have consisted of extended periods where either two hours or three consecutive hours with no powerhouse flow have been followed by only one hour with the powerhouse at minimum generation. During this test series, which ended March 5, oxygen levels in most redds remained above 6.0 mg/l, but one redd located near the lower end of the study area and just upstream of the confluence with the Columbia River had eight readings (taken every 30 minutes) between 5.5-6.0 mg/l. This redd is in gravels that naturally accrued to this area and is not within the area that was created or modified as part of the Chelan River and tailrace habitat construction project. One other redd had a single excursion of 5.8 mg/l, but the rest of the redds remained above 7.0 mg/l during this test period (Figure 2-3).

The current series of tests has been designed to periodically flush the spawning gravel with powerhouse operations of several hours at minimum generation, followed by cycles of three hours of no powerhouse flow followed by one hour at minimum generation. These four hour cycles are being repeated ten times, then flushed for five hours at minimum generation. That ten cycle test is being followed with a 12 cycle test, and increasing by two more cycles until oxygen levels are no longer being maintained. The results of the first two tests with ten cycles, then with 12, 14, and 16 cycles, with the cycles indicated by orange shading, are shown in Figure 2-2.

Figure 2-2. Chinook salmon redds with dissolved oxygen monitoring, 2012-13.

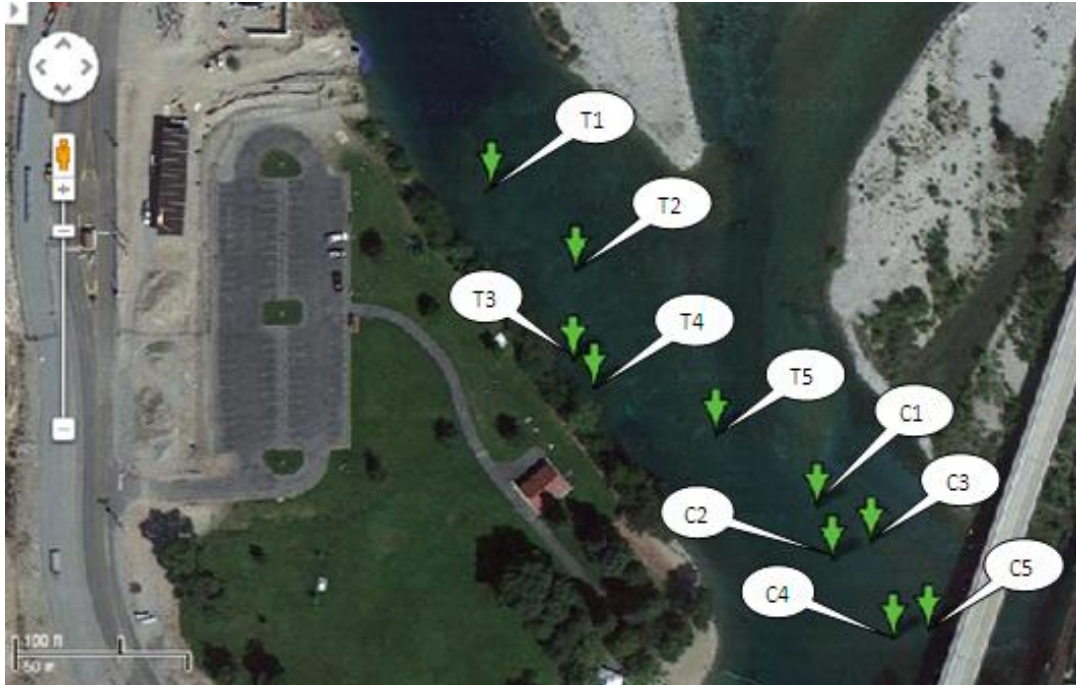
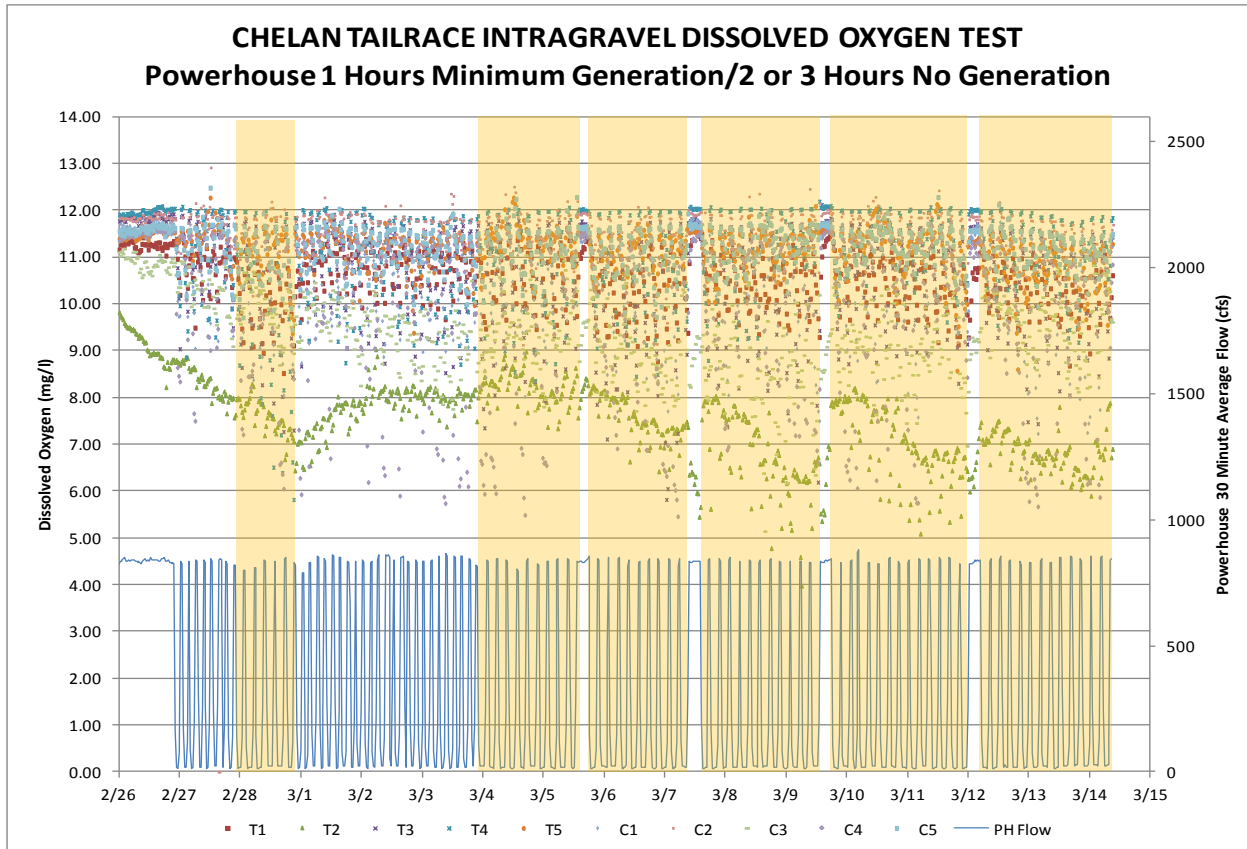


Figure 2-3. IGDO Levels In Chinook Redds During Spring Tests, 2013.



2.4 Steelhead Redd Protection Flows

Since there have not been any steelhead redds in the tailrace that are dependent on powerhouse flows, there has been no need to provide powerhouse flows during the steelhead incubation period. The only redd that was observed adjacent to the shoreline above the Chelan Falls highway bridge was in flowing water coming from the Habitat Channel.

2.5 Chinook Egg to Emergence Survival

Studies of Chinook egg to emergence survival were also initiated in 2011, in conjunction with the IGDO studies. A recent set of studies conducted in the Columbia River, Hanford Reach, measured egg to emergence survival for Chinook salmon, using a technique they developed suitable for placing a known number of eggs in a container with local substrate in a manner that can be done by divers in relatively deep, flowing water (Oldenburg et al. 2012). The Hanford Reach studies used cylindrical egg tubes (CET) to place 100 eyed eggs in the tube, then manually excavated an area to simulate a redd, and burying the CET at the same depth as found in the egg pockets of nearby, natural redds. At the end of the study, the CETs are retrieved and the number of live Chinook fry counted in the CET provides an estimate of egg to emergence survival. Chelan PUD adapted this study methodology to address the CRBEIP biological objective that egg to emergence survival be either greater than 80 percent of the average egg to emergence survival in good quality spawning areas in the Methow River or meet 70 percent survival outright, whichever is less.

The 2011-2012 study was designed to evaluate egg-emergence survival in four different areas, including: (1) the tailrace in the area filled with gravel to create more spawning habitat; (2) the area at the confluence of the tailrace and Reach 4 of the Chelan River, where the spawning gravel has accumulated as a result of natural processes; (3) in the Columbia River on the alluvial fan formed below the confluence of the Chelan and Columbia rivers; and (4) in the Chelan River Habitat Channel. The new spawning gravels placed in the tailrace and the spawning areas in the Habitat Channel are the areas being tested to determine if the biological objective for egg-emergence survival is being met in these constructed areas. The naturally occurring spawning areas at the confluence of the tailrace and Reach 4 and on the alluvial fan in the Columbia River are meant to serve as a natural control for comparison. In addition, a number of CETs were placed in open water to serve as controls to determine the survival with the influence of only handling and other experimental factors unrelated to spawning gravel quality. Controls for the tailrace were unsuccessful and had 100 percent mortality due to algae and periphyton plugging the mesh. Controls in the Habitat Channel were hanging under a log structure and apparently were shaded enough to prevent algae growth.

The 2011-2012 study gave mixed results, with a number of the CETs having complete mortality of the eggs. However, the results were odd in that some of the CETs with good survival were placed very near the CETs with few or no survival. All the mortality appeared to be prior to hatch of the eggs, in that few dead sac-fry and no dead button-up fry were found in the CETs. The majority of dead eggs that were in CETs with little or no fry appeared to have died relatively close to hatching. This could be because the level of oxygen needed for egg/embryo survival just

prior to hatching has been estimated to be near 7.0 mg/l (Alderdice, et al. (1958)).¹ The estimated date of hatching for the CETs, based on accumulated temperature units, was about January 6, 2012. The dissolved oxygen levels recorded during powerhouse tests in late December and early January generally remained well above 8.0 mg/l for three of the four minisondes that were in operation during that time period. Additional tests later in January, with 7-9 functional sondes also had dissolved oxygen levels generally well above 8.0 mg/l with the exception of the same redd that had previously shown lower dissolved oxygen levels. The CETs were placed in similar substrate to the locations of the redds, but not in Chinook redds. It is possible that the CETs were placed in substrate somewhat less permeable than that used in the nearby redds, but this seems unlikely. The CETs placed in the Habitat Channel had better survival, which ranged from 43 live fry to 96 live fry. The results of the CET study are summarized in Table 2-3.

Table 2-3. Chelan River Chinook Egg to Emergence Survival in CETs, 2011-2012.

Location	CET #	Live Fry	Dead Fry	Dead Eggs	Notes
Tailrace In Gravel Fill	1	0	0	-	Too much fungus to count
	2	18	5	-	Too much fungus to count
	3	90	0	8	
	4	0	0	-	Too much fungus to count
	5	71	0	20	
Tailrace Natural Gravel	6	0	0	-	Too much fungus to count
	7	96	0	0	
	8	27	0	-	Too much fungus to count
	9	0	0	-	Too much fungus to count
	10	90	0	8	
Columbia River	11	0	0	68	
	12	86	0	14	
	13	0	0	30	
	14	90	0	8	
	15	71	0	13	
Habitat Channel	16	94	0	6	
	17	53	0	-	Too much fungus to count
	18	59	0	-	Too much fungus to count
	19	43	0	-	Too much fungus to count
	20	96	0	4	
Habitat Channel Control	21	85	2	11	
	22	93	1	2	
	23	75	0	16	

¹ From Alderdice et al. (1958) as summarized by Hillman, T.W. (personal communication 12/9/2011) “The DO requirements of embryos increase as they grow, reaching a peak just before hatching. After hatching, the alevins can deal with low DO by pumping water with their gills, moving to areas of higher DO, and also by circulating water around themselves with their fins. Alderdice et al. (1958) estimated that the critical levels of DO (defined as “those at which respiratory demand is just satisfied,” p. 248) went from about 1 mg/L just after fertilization to 7 mg/L before hatching. Between these “critical levels” and the DO levels at which 50% of the embryos died (about 0.5-1.5 mg/L, depending on the stage at which the reduction in DO took place), there were levels at which embryos survived but did not thrive and were judged to have been unviable under natural conditions.”

2.6 Steelhead Egg to Emergence Survival

Thus far, Chelan PUD has not attempted to measure egg to emergence survival for steelhead. Since spawning occurs in April and early May, the timing of emergence for steelhead from redds in the Habitat Channel would range from late May – mid June (600 – 650 temperature units to emergence). For all three years (2010-2012), the good mountain snowpacks have led to spill from Lake Chelan by early June, resulting in flows well above 1,000 cfs in Reach 4 during the emergence period. No steelhead fry have been observed during surveys. Use of CETs or other controlled means to incubate steelhead eggs in the substrate appear to be feasible, but would require a source of steelhead eggs with accumulated temperature units in April that would be comparable to naturally spawned steelhead eggs in the Habitat Channel. The local steelhead hatcheries typically finish their egg take by early March, which would be much earlier than natural spawning. Use of eyed eggs from a hatchery is likely the most practical means to measure steelhead egg-emergence survival, but it will require special arrangements for a late spawning at one of the local hatcheries and ESA clearance since steelhead are a listed species.

SECTION 3: CHINOOK AND STEELHEAD REARING

3.1 Chinook rearing

Snorkel surveys have been conducted in the tailrace and Reach 4 in 2010 (one survey) and in 2012, with surveys in April, May, June, August, September and November. A survey scheduled for July 2012 was cancelled due to high spill levels. In addition to snorkel surveys, Chinook fry have been observed in Reach 4 during steelhead spawning surveys and other activities. Some of the surveyors have attempted to distinguish Chinook fry from coho fry and have given separate counts for each species, however it is very difficult to make that determination without actually having the fish in hand. Chinook and coho counts have been combined in Table 3-1, but separate counts are provided in the survey data spreadsheet in Appendix A.

Table 3-1. Chelan River Chinook and Coho Fry Counts.

Year	Location	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Nov.
2010	Tailrace	-	-	0	-	-	-	-	-
2010	Channel	-	-	3945	-	-	-	-	-
2010	Pool	-	-	845	-	-	-	-	-
2012	Tailrace	0	0	2670	85	-	0	0	0
2012	Channel	0	0	2312	0	-	0	0	0
2012	Pool	0	8	0	-	-	0	0	0

The snorkel survey data for 2012 was compromised by high flows in June (3,261 cfs in Reach 4), thus the failure to observe any Chinook fry in the Habitat Channel may not indicate that Chinook fry have left Reach 4 by this time. However, the lower count in the tailrace would support a hypothesis that Chinook fry begin to move downstream into rearing habitat in the Columbia River as they reach larger size. This is consistent with the behavior of summer Chinook in the Wenatchee River and Methow River and with offshore and downstream movement noted for fall

Chinook in the Hanford Reach of the Columbia River. The surveys in August were past the date when any Chinook would be expected to remain in shallow water habitats.

During the April survey (4/17/2012) no Chinook fry were counted in either the Habitat Channel or tailrace, although the accumulated temperature units had passed 1000 degree-days (°C) for more than 80 percent of the redds in the tailrace. However, with the water temperature of about 11 °C on that survey, the fish may have been down in the cobbles and in other types of cover. Casual observations around the large wood structures in the Habitat Channel have typically not observed Chinook fry in these areas until late April and May, when water temperatures are around 15 °C.

3.2 Steelhead rearing

The snorkel surveys have not counted any steelhead fry, parr or pre-smolts in either Reach 4 or in the tailrace. However, larger rainbow trout have been observed, as have adult steelhead, in March, April and May, and larger rainbow (considered rainbow, not steelhead, based on body shape) were also observed in August, September and November. Water temperatures in August exceeded 19 °C.

Water temperatures were favorable during May and June for steelhead fry to rear in the Habitat Channel. However, high flows in June and July prevented effective snorkel surveys and also may have been high enough to push emergent steelhead fry out into the Columbia River. Future surveys in years without high spill levels during steelhead emergence are expected to find steelhead fry present in June.

SECTION 4: FISH COMMUNITY REACHES 1-3, REACH 4

4.1 Snorkel Surveys Reaches 1-3

Snorkel surveys were completed in 2012 in Reach 1 during April and November and in Reaches 2 and the uppermost pool of Reach 3 in April. Surveys scheduled for August were cancelled due to safety concerns. Although these surveys were originally scheduled to only occur every two years, the surveys will be repeated in 2013 due to failure to conduct a survey in August of 2012. Surveys of Reach 3 present some safety and logistical constraints due to the inability of snorkel crews to find a safe route past the falls. Alternative access to the pools below the falls will be explored in 2013.

Snorkel surveys in April found 7 adult rainbow and one sucker in the first 2-3 pools below the low level outlet. No fish were observed present in any other sections of Reach 1, although several pool areas at the lower end of that reach appeared to have adequate depth and cover for fish to overwinter. No fish were observed in Reach 2, which is a relatively short section of mostly continuous riffle and glide. The pool below the uppermost falls in Reach 3 also had 5 adult rainbow, 8 adult cutthroat, one adult Chinook salmon and one smallmouth bass. All these fish, including the Chinook, are typical of the size and type of fish present in Lake Chelan. We assume that these fish moved through the spillway into the Chelan River during the previous spring and summer. Since spill in 2011 ended on August 11, then these fish would have been

present in the Chelan River during minimum flows at least from August and more likely during July, due to spill volumes being highest during the first half of July. Daily average water temperatures in reaches 1-3 exceeded 20 °C during most of August and the first half of September, 2011. The maximum daily average water temperatures from the beginning of Reach 1, end of Reach 1 and end of Reach 3 were 21.7 °C, 21.4 °C and 21.6 °C, respectively. The highest hourly temperatures recorded were 22.1 °C, 23.2 °C, and 23.8 °C, respectively for the same locations. The fish present in April of 2012 apparently survived under these water temperature conditions.

The snorkel survey of Reach 1 in November found 12 rainbow present, which probably entered from Lake Chelan during the 2012 spill season. Reach 2 and the upper pool of Reach 3 were not surveyed in November due to safety concerns because ice and snow on rocks in these steep gradient sections.

4.2 Snorkel Surveys in Reach 4 Pool and Habitat Channel.

The Reach 4 pool and Habitat Channel were both heavily used by several other species of fish that migrated in from the Columbia River for spawning. Chiselmouth, northern pikeminnow and suckers all used the Habitat Channel and gravel deposits in the pool for spawning. Although snorkel survey observers did not count many chiselmouth or pikeminnow adults, several hundred were observed spawning during early June steelhead spawning surveys and ripe male northern pikeminnow were readily captured by angling in the pool. The June timing of these species corresponded to the high spill period and the June snorkeling survey was not very effective due to the high flow. During snorkel surveys in May, large suckers were quite active, with 324 counted in 2010 and 1324 counted in 2012.

Smallmouth bass were observed guarding nests near the wood structures in the Habitat Channel during May, with 32 smallmouth bass greater than 6 inches in length observed in the Habitat Channel and pool. Smallmouth bass were also observed in the pool in April and August, presumably rearing in this area.

In November, six bull trout (12"- 18") were present in the Habitat Channel, concurrent with Chinook salmon spawning activity. Also present were ten rainbow (8" – 14"). We presume that the bull trout and rainbow were present to feed on Chinook eggs.

Other fish species observed in the Reach 4 pool and Habitat Channel include mountain whitefish, reidside shiner, peamouth, stickleback and bluegill. All these species are common in the Columbia River. In the tailrace and below the last riffle in the Habitat Channel, the snorkel observations have included carp, walleye, juveniles of northern pikeminnow, chiselmouth and peamouth (collectively counted as cyprinid fry), and juvenile smallmouth bass.

SECTION 5: FUNCTIONAL AQUATIC ECOSYSTEM

5.1 Water Quantity and Quality

The Lake Chelan Hydroelectric Project has been operated to meet minimum flows to the Chelan River, avoid high spill flows that could damage developing riparian zones and the features in the Habitat Channel, and to meet lake level targets. The most challenging has been to avoid high spill flows while meeting spring and summer lake levels during two years with high runoff levels and late timing of runoff. The goal has been to avoid spill levels in excess of 6,000 cfs, which has thus far been accomplished with the exception of a short period in 2012 when spill reached 7,000 for a few hours. Ramping rates were also instituted during decreases in flow to prevent fish stranding. Through the first three years of operation, no damage has been observed to developing riparian zones or wood/boulder features in the Habitat Channel due to high spill. Nor have any fish strandings due to sudden flow reductions been observed. The desired ratio of maximum flow to minimum flow (6,000 cfs to 80 cfs) is 75 to 1, which is similar to the ratio for the Entiat River, a nearby Columbia River tributary of similar size. The Entiat River often has minimum winter flows of 50 – 60 cfs and peak flow during the year has exceeded 4,000 cfs in 6 of the past 53 years, for a peak flow to minimum flow ratio of about 70 – 80. Over time, management to generally restrain spill flows to 6,000 cfs or less should allow the development of a stable riparian zone in Reach 1 and protect the riparian zone and wood/boulder features in the Habitat Channel.

The water temperature regime of the Chelan River, as expected, is warm compared to other Columbia River tributaries in the Chelan area. However, the other lake-fed tributary, the Okanogan River, has a similar temperature regime to that observed in the Chelan River. The mean of daily mean values for temperature at Malott during July and August range from 21 °C – 24 °C (USGS data²). The annual temperature regime for the Chelan River has been reported in annual flow and temperature reports, available at <http://www.chelanpud.org/lc-Resource-Documents-WaterQuality.cfm>. The peak daily mean temperatures recorded in 2010 – 2012 also ranged from 21 °C – 24 °C.

Water quality, other than temperature, has not yet been fully evaluated. Limited sampling in September and October for pH and dissolved oxygen in the Habitat Channel found dissolved oxygen ranged from 8.1 to 10.3, even though water temperatures exceeded 23 °C during the August sampling, and pH from 7.4 to 8.1. These values for dissolved oxygen and pH are within the criteria for salmonid spawning, rearing and migration.

5.2 Benthic Macroinvertebrates

Benthic macroinvertebrates were collected from the Habitat Channel in the summer of 2011 and 2012. These samples have not yet been analyzed for species composition. However, observation during sample collection indicated that species diversity is limited with most common organisms being leeches, small unidentified larvae of the same type, some chironomids, and polychaete worms. These collections were qualitative, moving upstream in a zigzag manner and kicking the substrate vigorously. The goal was to collect over a broad section of substrate because

² http://waterdata.usgs.gov/usa/nwis/uv?site_no=12447200

macroinvertebrate density was low. These samples also included a significant amount of *Didymo*, a nuisance diatom.

Additional samples will be collected in 2013, using a quantitative methodology. Samples will also be collected in Reach 1. The samples will be sent to a lab for analysis in 2013.

5.3 Riparian Zone Establishment

The willows and other riparian species planted in the Habitat Channel have thrived and are expanding beyond the initial planting zone. However, beaver eliminated most of the cottonwoods, so additional live stakes with beaver protection should be added in the future.

The riparian zone in Reach 1 is meager due to the past history of very high spillway flows scouring the shoreline, followed by annual dewatering with no minimum flow from August – April. A series of aerial photographs were taken in November 2009 to document the initial status of riparian zone at the time minimum flows were established.

Chelan PUD is required to conduct a riparian feasibility study to better characterize the opportunities for the establishment of riparian vegetation on the banks of the Chelan River (401 Water Quality Certification, X.E.). The success of the live stake plantings in the Habitat Channel are instructive of what could be accomplished in Reach 1. Chelan PUD intends to revisit the status of riparian vegetation in Reach 1 in summer of 2013, with an initial assessment of natural riparian generation and feasibility of use of live stakes for areas lacking in natural riparian regeneration.

5.4 Stream Channel Characteristics

The Habitat Channel, which is a constructed stream channel with large wood, boulders, riffles, pools, sinuosity, a hardened width to depth relationship and flow control, has so far maintained its design characteristics and is providing spawning and rearing habitat for Chinook, steelhead, and other fish species. A substantial amount of mixed gravel and sand has entered into the pool above the hydraulic control structure and is also providing spawning habitat, which is an unplanned bonus. The bed load material entering Reach 4 likely originates from a natural slide zones on the south side of the river in Reach 2. This material consists of glacial deposits that do not appear to include much cobble. There has been enough movement of this smaller river bed material into the Habitat Channel that the interstitial spaces in the larger cobble and boulder “riffle mix” used to define the hydraulic breaks between the pool sections of the Habitat Channel have partially filled in and that has further stabilized the tailouts of the pools. Small accumulations of this finer material have been deposited in areas around the large wood structures and some sandy areas have formed behind the large wood, which has increased the diversity of the river bed. Steelhead have shown a preference for this finer substrate in their selection of spawning sites. However, the flow velocities in the main channel and pools have been adequate to move excess bedload material on through the Habitat Channel and there is no evidence that the pools are filling in with sediments. Overall, the Habitat Channel has maintained its desired stream channel diversity through three years since construction, with fairly high flows during summer in each of those years. The movement of gravels and sand through the Habitat Channel during low flow years has not yet been observed.

Reach 1 does not have a diverse stream channel structure, with most of its length consisting of continuous riffle with a streambed consisting of very large cobble and small boulders. Although unstable areas of glacial deposits border the river bed, these areas have been largely cut off as sources of small streambed material due to bank armoring done to prevent major landslides. The river bed has mostly been scoured of its smaller cobbles and gravels during very high spill flows in the past. There are some large bars terraced above the current ordinary high water line, which is determined by management of the spill operations to avoid spill levels exceeding 6,000 cfs. The bars and side channels that in what would have been the original channel migration zone are probably activated only at flows exceeding 10,000 cfs. Under present flow management, the Reach 1 river channel is effectively hardened in its present state and is unlikely to change without mechanical intervention. Although small driftwood is spilled into Reach 1 from the dam, there is no significant source of large wood that could catch and hold the smaller wood in the channel. Consequently, there is very little cover and only minimal pool habitat for cutthroat trout or other fish species in Reach 1. The lack of fine gravel and sand also likely limits production of benthic organisms to only those species that can attach to large cobbles and boulders.

SECTION 6: SUMMARY

The biological objectives for the Chelan River cover four main categories; (1) Chinook and steelhead spawning and incubation, (2) Chinook and steelhead rearing, (3) Reaches 1-3 fish community with emphasis on cutthroat trout and use of Reach 4 by other species, and (4) monitoring of factors that meet or limit achievement of a functional aquatic ecosystem. The achievement of biological objectives will take more time for some objectives, such as establishment of a fish community and functional aquatic ecosystem in Reaches 1-3, because this area has to develop a stream channel structure and riparian zone that matches the minimum and maximum flow regime established in 2009. Many natural processes necessary to support these objectives for Reaches 1-3 will require years to develop. On the other hand, the objectives for Chinook and steelhead spawning and incubation have advanced rapidly, with immediate response to the creation of new spawning habitat and, because the Habitat Channel and tailrace spawning gravel additions were done with mechanical intervention, these areas are already functioning to a high degree.

The Chinook spawning surveys have shown that the habitat created in the tailrace and Habitat Channel are functioning, with the number of Chinook redds having increased each year since 2008. The number of Chinook redds in the Chelan River in 2012, 426 redds, was over 150 redds greater than the highest count (253) prior to the creation of the additional spawning habitat in the tailrace and Habitat Channel. The number of steelhead redds has fluctuated, but no previous record of steelhead spawning use on a regular basis exists. The development of guidelines for powerhouse operations to assure that intragravel dissolved oxygen levels remain above 6.0 mg/l in Chinook redds and measurement of Chinook egg-emergence survival is completing a second year of study. Protocols for minimum powerhouse operation scheduling will be in place prior to the 2013 Chinook spawning season.

Use of the Habitat Channel as rearing habitat for Chinook fry has now been documented during May, but high spill flows interfered with effective snorkel surveys in June and no steelhead fry

have been observed rearing in the Habitat Channel. Other native and non-native fish common to the Columbia River have also been documented to use the Habitat Channel for spawning and rearing.

Snorkel surveys in Reaches 1-3 have documented some limited use by adult rainbow and cutthroat trout, with indications that cutthroat trout can survive through the summer in Reach 3. Snorkel surveys in this area have been hampered by safety concerns, but those issues have been resolved and additional surveys are scheduled for 2013. However, the stream channel diversity and lack of a riparian zone in Reach 1 have the potential to limit establishment of a fish community in that section of the Chelan River for many years into the future.

Water quantity and quality appears suitable for meeting the biological objectives in all sections of the Chelan River, although further study is needed for dissolved oxygen, pH, total dissolved gas and turbidity. The temperature regime, as expected, is much warmer in August and September than the Washington State Water Quality Criteria for salmonid spawning, rearing and migration. However, the water temperatures are no worse than those observed in the Okanogan, a major salmon producing tributary to the Columbia River. The Chelan River and Okanogan River are both fed by large lakes, which have a strong influence on the water temperature regime of these rivers.

SECTION 7: LITERATURE CITED

Alderdice, D. F., W. P. Wickett, and J. R. Brett. 1958. Some effects of temporary exposure to low dissolved oxygen levels on Pacific salmon eggs. *J. Fish. Res. Board Can.* 15:229-249.

Bickel, T. O., and Closs, G. P. (2008). Impact of *Didymosphenia geminata* on hyporheic conditions in trout redds: reason for concern?. *Marine and Freshwater Research* 59, 1028–1033.

BioAnalysts, Inc. 2003. Effects of powerhouse operations on intragravel flows and water quality within Chinook redds. Prepared for Public Utility District No.1 of Chelan County, Wenatchee, Washington.

Oldenburg, E. W., B. J. Goodman, G. A. McMichael, and R. B. Langshaw. 2012. Forms of production loss during the early life history of fall Chinook salmon. Battelle–Pacific Northwest Division Report prepared for Public Utility District No. 2 of Grant County, PNWD-4314, Richland, Washington.

APPENDIX A: SNORKEL SURVEY DATA FOR THE CHELAN RIVER

APPENDIX B: CONSULTATION RECORD

Chelan PUD provided a draft of the 2013 Chelan River Biological Objectives Status Report to Ecology and members of the CRFF in accordance with the requirements of the May 19, 2010, FERC Order granted a time extension, which set the date for the first report to be due April 30, 2013. The draft was sent out for review, as described in an email notification dated February 6, 2013 (see below).

The following individuals were sent draft copies for review:

<i>NAME</i>	<i>AGENCY</i>	<i>Comments</i>
Irle, Pat	Washington State Department of Ecology	
McKinney, Charlie	Washington State Department of Ecology	
Caldwell, Brad	Washington State Department of Ecology	
Pacheco, Jim	Washington State Department of Ecology	
Korth, Jeffrey	Washington State Department of Fish and Wildlife	
Simon, Graham	Washington State Department of Fish and Wildlife	
Maitland, Travis	Washington State Department of Fish and Wildlife	
McCoy, Gina	Washington State Department of Fish and Wildlife	
Willard, Catherine	United States Department of Agriculture – Forest Service	
Martinez, Alex	United States Department of Agriculture – Forest Service	
Glesne, Reed	National Park Service	
Lewis, Steve	United States Fish and Wildlife Service	
Domingue, Rich	National Marine Fisheries Services	
Yeager, Justin	National Marine Fisheries Services	
Towey, Bill	Confederated Tribes of the Colville Reservation	
Rose, Bob	Yakama Indian Nation	
Merkle, Carl	Confederated Tribes of the Umatilla Indian Reservation	
Goedde, Robert	City of Chelan	
Archibald, Phil	Lake Chelan Sportsman Association	

Bitterman, Deborah

From: Smith, Michelle

Sent: Tuesday, February 26, 2013 12:43 PM

To: 'Alex Martinez (ramartinez@fs.fed.us)'; 'Bob Rose (rosb@yakamafish-nsn.gov)'; 'Brad Caldwell (brca461@ecy.wa.gov)'; 'Carl Merkle (carlmerkle@ctuir.com)'; 'Gina McCoy (Gina.McCoy@dfw.wa.gov)'; 'Jim Pacheco (jpac461@ecy.wa.gov)'; 'Justin Yeager (Justin.Yeager@noaa.gov)'; 'Korth, Jeffrey'; 'Maitland Travis (travis.maitland@dfw.wa.gov)'; 'McKinney Charlie (cmck461@ECY.WA.GOV)'; 'Pat Irle'; 'Phil Archibald (kim.l.lohse@gmail.com)'; 'Reed Glesne (Reed_Glesne@nps.gov)'; 'Robert Goedde (bgoedde@cityofchelan.us)'; 'Simon Graham (graham.simon@dfw.wa.gov)'; 'Steve Lewis (Stephen_Lewis@fws.gov)'; 'Willard Catherine (cwillard@fs.fed.us)'

Cc: Hays, Steve; Osborn, Jeff; Miller, Joseph; Truscott, Keith; Bitterman, Deborah; Sokolowski, Rosana

Subject: Chelan River Fishery Forum: draft and final Biological Objectives Status Report schedule

Dear Chelan River Fishery Forum,

FYI -- We expect to have the (Draft) Biological Objectives Status Report emailed to you for review on March 15. Recall that these reports are due in years 4, 6, 8, and 10 from the date of initiation of the Chelan River minimum flow and Reach 4 habitat enhancements (which was Oct 2009). I've included the language from our 401 Certification below. Our required date for providing the Draft for Ecology and forum review is February 28. However, with current work loads, finalizing data analysis and completing internal review is taking a bit longer than anticipated. We apologize for this delay. The Final report is due to Ecology, CRFF, and the FERC by April 30. This provides approximately 45 days to review, discuss, and make changes. To help facilitate this review, we would like to propose a CRFF meeting/conf call for mid-to-late March to discuss the Draft report. Jeff Osborn will be notifying you soon to organize this meeting.

Regards,

Michelle

Michelle Smith

License and Compliance Manager

Chelan County Public Utility District

Wenatchee, WA

509-661-4180

401 Water Quality Certification:

IV. E. Biological Objectives Status Reports: By no later than April 30, in each of years 4, 6, 8, and 10 following the effective date of the license, Chelan PUD shall provide to Ecology and other members of the CRFF a final Biological Objectives Status Report that (1) summarizes the results of monitoring and evaluation program, and evaluates the need for modification of the program, (2) describes the degree to which the biological objectives have been achieved, and the prospects for achieving those objectives in the next reporting period, (3) reviews management options taken to meet those biological objectives, and (4) recommends any new or modified restoration and/or monitoring and evaluation measures that are needed to meet, to the extent practicable, the biological objectives. Such recommendations shall contain a schedule for timely implementation. No later than February 28 of each year, Chelan PUD shall provide a draft of such final report to the CRFF and consult with its members prior to issuing the final report. If a CRFF member is not in agreement with the draft report or recommendations and has an alternative evaluation or recommendation, Chelan PUD shall include a discussion of that alternative or recommendation in the final report.