

Outcome-based Standards **Update, September 30, 2002**

In response to a May, 2001 Executive Order from the White House Council on Environmental Quality (CEQ), Chelan PUD provided suggestions on how energy project permitting and other regulatory decision-making processes may be improved. Specifically, Chelan PUD proposed to use its relicensing of the 1280MW Rocky Reach Hydroelectric Project to demonstrate the “outcome-based standards” approach to resource management.

Chelan PUD already has experience with the outcome-based standards concept, which provides the basis for its innovative Anadromous Fish and Habitat Conservation Agreement. Under that agreement, Chelan PUD will use a variety of innovative tools to meet a 100% no-net-impact on anadromous fish within the project area. The outcome-based standards concept, which focuses on “what” environmental goals need to be achieved rather than “how” to achieve them, gave Chelan PUD the flexibility it needed to protect fish in a manner that best suits the Project’s unique configurations.

With the Project’s license set to expire in 2006, Chelan PUD recognized that the outcome-based standards approach could be utilized for other resources during the relicensing process. Outreach to state and federal agencies and coordination with the CEQ’s Energy Task Force resulted in a significant show of support. Last year, the State of Washington signed a memorandum of understanding to utilize the approach for the State component of relicensing. Then in the summer of 2002, Chelan PUD received letters of support from the federal Department of Commerce, Department of Interior, and Environmental Protection Agency.

Chelan PUD is now focusing on the next steps for incorporating specific outcome-based standards into the relicensing process. Rocky Reach is being relicensed using the Federal Energy Regulatory Commission’s alternative licensing process (ALP). In that forum, Chelan PUD is working collaboratively with federal, state, tribal and local stakeholders to develop a license application (LA) and preliminary draft environmental assessment (PDEA) that balance multiple (and sometimes competing) interests. Development of the outcome-based approach within the ALP will include stakeholder input regarding sideboards on the level of flexibility available to the licensee, methods of measuring success, and other implementation issues. A schedule has already been developed:

Outcome-based Standards Schedule	
Identification of issues appropriate for outcome-based standards	October 2002 - December 2002
Development of reasonable, achievable and measurable outcome-based standards	December 2002 – June 2003
Incorporation into the final Preliminary Draft Environmental Assessment	June 2003- March 2004
Finalization and incorporation in a Rocky Reach Settlement Agreement	March 2004 – June 2004