Yakama Nation Mid-Columbia Coho
Reintroduction
Funding Agreement
September 4, 2018
Why We Are Here

➢ To discuss the proposed 15-year Funding Agreement with the Yakama Nation (YN) for continuation of the District’s ongoing HCP coho obligation

➢ Information only today. Return September 17 for authorization
What we’ll cover

- Background
  - Obligations
  - Program Description
- Agreement framework
  - Terms
- Cost-Effectiveness Considerations
- HCP Credit
- Next Steps
Habitat Conservation Plans

- Habitat Conservation Plans (HCPs) satisfy our FERC obligation to operate Rocky Reach (RR) and Rock Island (RI) dams while protecting salmon and steelhead.

- Under the HCPs, hatchery programs are part of achieving no net impact on salmon and steelhead migrating past Rocky Reach and Rock Island dams.
Habitat Conservation Plans

- At the time the HCPs were signed, coho no longer existed in the mid-Columbia River
- Section 8.4.3.a of the RI and RR HCPs contemplates coho as a plan species
- On June 20, 2007 the HCP Hatchery Committees approved Statements of Agreements signifying that the District should begin providing hatchery compensation for coho salmon
Habitat Conservation Plans

- August 29, 2007 HCP HC approves funding YN coho Program for 10 years to fulfill hatchery obligations
- January 17, 2018 HCP HC approves coho Program as satisfying coho obligation so long as YN and Chelan enter into an Agreement
Yakama Nation Coho Program

- Objective of the coho reintroduction project is to reestablish naturally spawning coho populations in mid-Columbia tributaries.
- The YN is the lead entity for coho reintroduction into the Wenatchee and Methow subbasins since the mid-1990s.
Yakama Nation Coho Program

- Bonneville Power Administration completed a coho Master Plan and began funding the Program in 2007 under the Accords
- Chelan PUD funded a share of the Program from 2007-2017
- Grant and Douglas PUDs also funded a portion of the Program
Current Status

- 10-year Funding Agreement with YN expired December 31, 2017
- Staff exploring options for future compliance
Alternatives Considered

- Leverage existing excess capacity at District-owned facilities to create new coho program
  - No excess capacity for final rearing in Wenatchee or Methow basins
  - Stakeholder concerns about duplicate programs since the HCP HC unanimously supports the YN Program
Alternatives Considered

- Construct new capacity
  - Same concerns with using existing excess capacity
  - No new discharges in the Wenatchee River (TMDL)
  - Expensive property acquisition and construction in Methow
  - Duplicate effort for which the District has been contributing the last 10 years (loss of initial investment)
Terms of the Proposed Agreement

- Proposed 15-year cost share
- Chelan provides access to broodstock collection facilities (Tumwater and Dryden)
- Chelan provides option to use Rocky Reach Annex for future cost offset
- Mutual termination with exceptions in case of material breach or loss of HCP credit
- Chelan’s annual average costs will be $605,271; held to 1.75% annual inflation
  - 15 year NTE is $9.7M
Cost Effectiveness

- Joint funding partners reduces Chelan’s cost (Grant PUD and Douglas PUD have similar funding agreements)
- Cost per unit of compensation for the Program is $3.52/smolt vs. average $6.31/smolt for other District programs
What does the Program Provide?

*Chelan receives full HCP compensatory credit for coho hatchery mitigation requirements (even if actual production levels vary from year to year)*
Summary Benefits

- Guarantees the District meets HCP hatchery obligations for coho through 2032
- Continuity and stability with known program and organization
- Long-term certainty of costs regardless of other funders
- HCP HC approves and supports the program – return on initial investment
Next Steps

Return September 17 to request authorization to execute the Agreement