



2013 FERC Water Power License Fee Meeting

WHAT WE ARE GOING TO COVER

- **Purpose and elements of the Water Power License Fee Legislative Report**
- **Summary of fee collected since in current and previous biennia**



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- **Summary of state agency staffing expenditures for hydropower projects in the last report.**
- **Summary of previous recommendations we received from licensees and interest groups**



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- Summary of fee collected since in current and previous biennia
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- Summary of previous recommendations we received from licensees and interest groups
- Structure of the 2011-2013 biennial report, *and*
- What we are asking you to contribute



WATER POWER LICENSE FEE REPORT



Purpose:

Biennial Report to the State legislature on the expenditure of fees collected under RCW 90.16.050
– *fees are based on theoretical horsepower calculations for each project.*

Required elements:

1. State agency expenditures of FERC project fees in previous biennium and expected expenditures in next biennium
2. Recommendation from Ecology, WDFW, FERC licensees, and other interested parties
3. Recognition of hydropower operators that exceed environmental regulatory requirements

WATER POWER LICENSE FEE REPORT

Summary of Fees Collected (FERC project fee only):

2007-2009	Biennium	– \$ 935,600
2009-2011	Biennium	– \$ 1,019,900
2011-2013	Biennium	– \$ 1,017,000

WATER POWER LICENSE FEE REPORT

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Breakdown of FERC and non-FERC fees by project is provided in the handout.

Non-FERC fees are roughly half the totals above and are used to partially fund USGS gaging stations.

- Not a part of the legislative report

Staffing expenditure summary - 2009-2011 Report:

Table 2. State Agency Fulltime Equivalent (FTE) Program Staffing.

State Agency/Program	Project Involvement ¹	FTEs funded by hydro Fees	FTEs funded by other sources	Total FTE for FERC Projects
Ecology - Water Resources Water Resources Program	Technical assistance on instream flow issues for all projects statewide	0.5	0.5	1.0
Ecology - Water Quality Headquarters Office	Technical assistance to WQ regions on all projects statewide	1.0	-	1.0
Ecology - Water Quality WQP - Central Region Office	FERC 401 coordination for projects in Ecology's central region.	-	1.0	1.0
Ecology - Water Quality WQP - Eastern Regional Office	FERC 401 coordination for projects in Ecology's eastern region.	-	1.0	1.0
Ecology - Water Quality WQP - Northwest Region Office	FERC 401 coordination for projects in Ecology's Northwest region.	0.5	-	0.5
Ecology - Water Quality WQP - Northwest Region Office	FERC 401 coordination for projects in Ecology's southwest region.	0.5	-	0.5
WDFW – Habitat Program Energy Projects	Technical assistance on fish and wildlife issues for all projects statewide.	2.1	3.4	5.5
Washington State Attorney General's Office	Legal assistance with FERC Licensing, 401 certifications, amendments, and settlement agreements.	-	1.8	1.8 ²
 Total State Agency FTEs		4.6	7.7	12.3

WATER POWER LICENSE FEE REPORT

Recommendations received in last report:

- **Continue to develop better communication between staff from the state agencies and the utilities;**
- Further develop better coordination and collaboration between the WDFW and Ecology to minimize duplication of work and to provide a better understanding of each agency's role in the 401 certification process;
- Minimize staff changes during licensing and implementation phases of the 401 water quality certifications;
- Increase funding for technical staff with background in hydropower;
- Develop better internet based tools for sharing information between all entities;

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WATER POWER LICENSE FEE REPORT

Recommendations received in last report:

- **Provide more detailed information about license fees, including fees collected by each utility;**
- Review the current and future workload and determine the funding necessary to fully fund the state FERC programs through the water power license fees or other resources;
- Allocate funding to appropriately staff the future review of preliminary permit applications that have increased in number in recent years; and
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Structure of Next Legislative Report (2011 – 2013)

- **Expenditures of the Water Power License Fees**
 - Current agency staffing and expected staffing in next biennium
- **Summary of further recommendations from Licensees, WDFW, Ecology, and other interest parties.**
- **Recognition section – Operators exceeding regulatory requirements**
 - currently rely on Low Impact Hydropower Institute (LIHI) certification
 - other considerations?
- **Appendices**
 - **Summary of state agency work by project**
 - **Table of fees collected by Licensee and Project**
 - **Full text of comments and recommendation provided**

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Where we are asking you to contribute to the report

- I will send out a reminder email to provide information by December 20th
- Please provide contact information for other interested parties that may also like to contribute to the report

Questions? / Discussion?

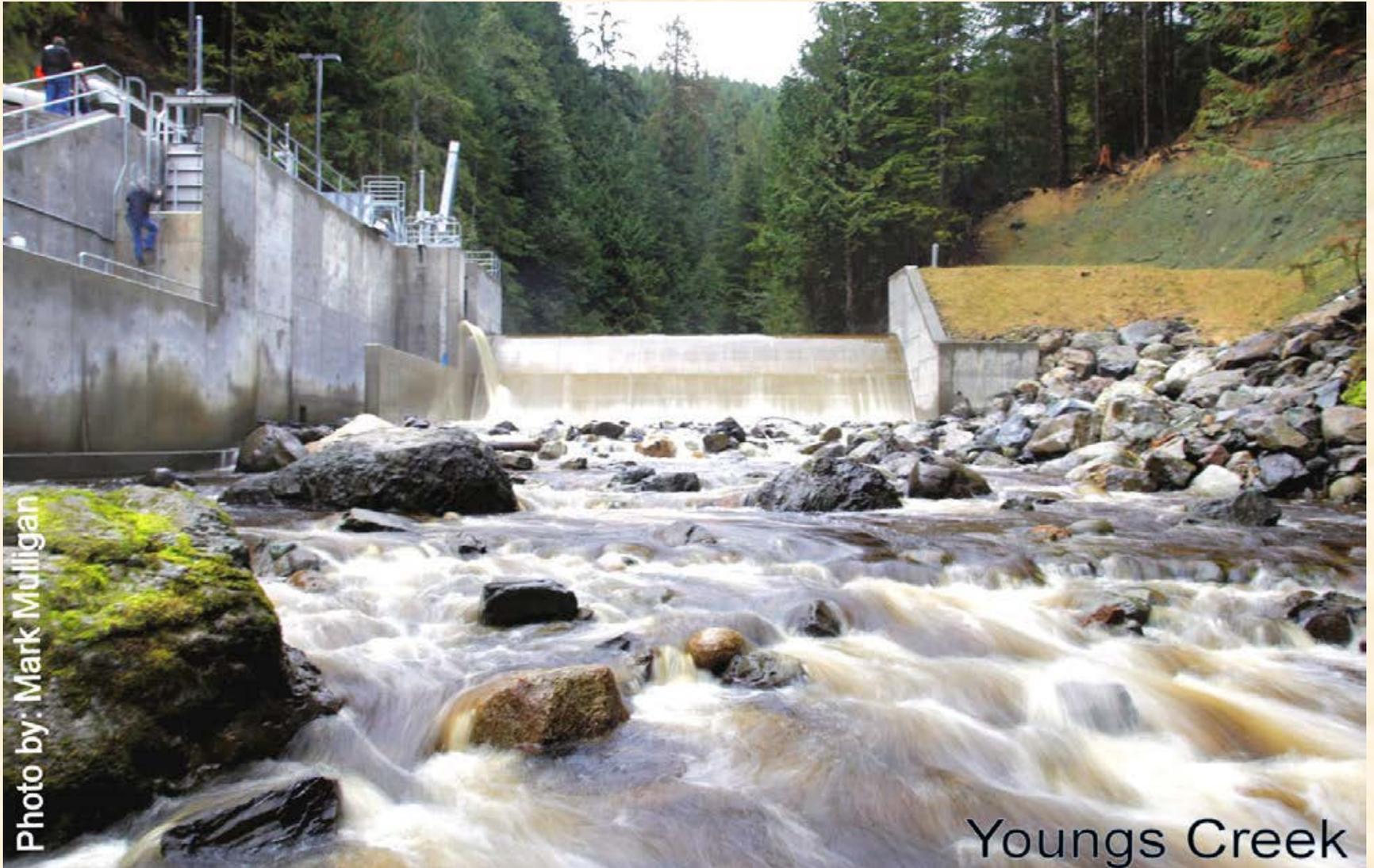


Photo by: Mark Mulligan

Youngs Creek

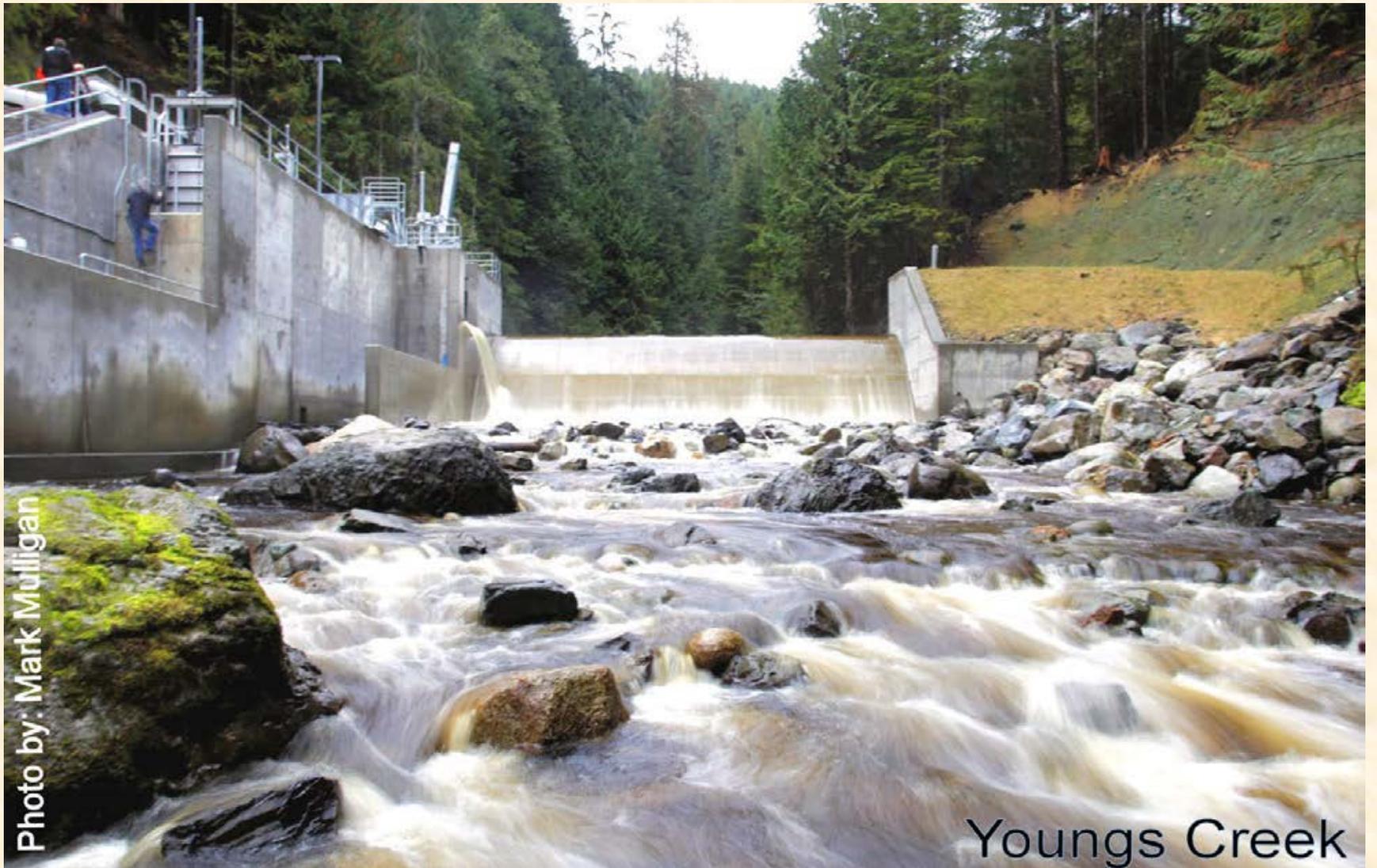
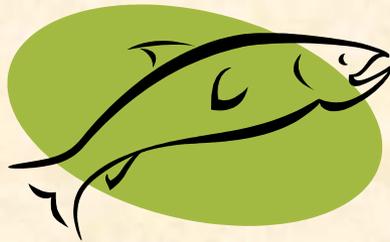


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REQUEST TO MODIFY TDG CRITERIA



BRIEF HISTORY OF TDG CRITERIA

Current Statewide TDG Criteria –110% saturation

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1994

Washington issued a temporary TDG adjustment and **Oregon** issued a TDG criteria waiver-

both provide a temporary criteria adjustment for TDG of 115% in the forebay and 120% in the tailrace of Columbia and Snake (WA) River dams during spring and summer months.

BRIEF HISTORY OF TDG CRITERIA

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TDG adjustment for Columbia and Snake Rivers was adopted into the Washington WQ Standards – Oregon continued to issue waivers through their WQ standards process.

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- Oregon removed the 115% forebay requirement in the 4 lower Columbia River dams.
- Washington maintained the 115% forebay requirement in all Mid & Lower Columbia River dams and Snake River dams.

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2010 – 2012

Interest groups filed suit against Ecology to remove the 115% forebay requirement. Ecology decision to maintain the 115% forebay criteria was upheld in the State's superior and appellate courts.

REQUEST TO MODIFY TDG CRITERIA

Current request to the Oregon and Washington's Governors' offices

American Rivers, Sierra Club, Save Our Wild Salmon,
Northwest Sportfishing Industry Association, Northwest Energy Coalition

Request

Determine if the states can provide a temporary modification to the TDG standards in the Snake River and Lower Columbia River to allow 125% TDG spill season criteria.

- Would apply to the tailrace monitoring only (no forebay requirement)
- The time period would not exceed the current spill season currently in the states' WQ standards
- the geographic extent of the modification would likely include only the Snake and Lower Columbia river dams (8 FCRPS dams)

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Purpose:

To further increase voluntary spill and therefore increase out-migration of fish over the dam vs. turbine passage & fish bypasses.

REQUEST TO MODIFY TDG CRITERIA

Basis:

Allow for an experimental study to determine effects of increased spill on juvenile in-river, ocean, smolt-to-adult, and returning adult survival rates of PIT-tagged salmon and steelhead.

Experimental proposal is based on:

- Comparative Survival Study (CSS) salmon and steelhead data; and
- Federal Columbia River Power System (FCRPS) spill data collected by the Army Corps of Engineers.

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What is the CSS?

- Long-term study within the Northwest Power and Conservation Council's Fish and Wildlife Program
- Funded by BPA
- Began in 1996 to establish survival rates of downstream transported fish and has evolved to include other metrics including Smolt-to-Adult (SAR) survival statistics.
- Oversight committee includes Tribal, State and Federal fish agencies.
- The Fish Passage Center coordinates monitoring efforts and data management

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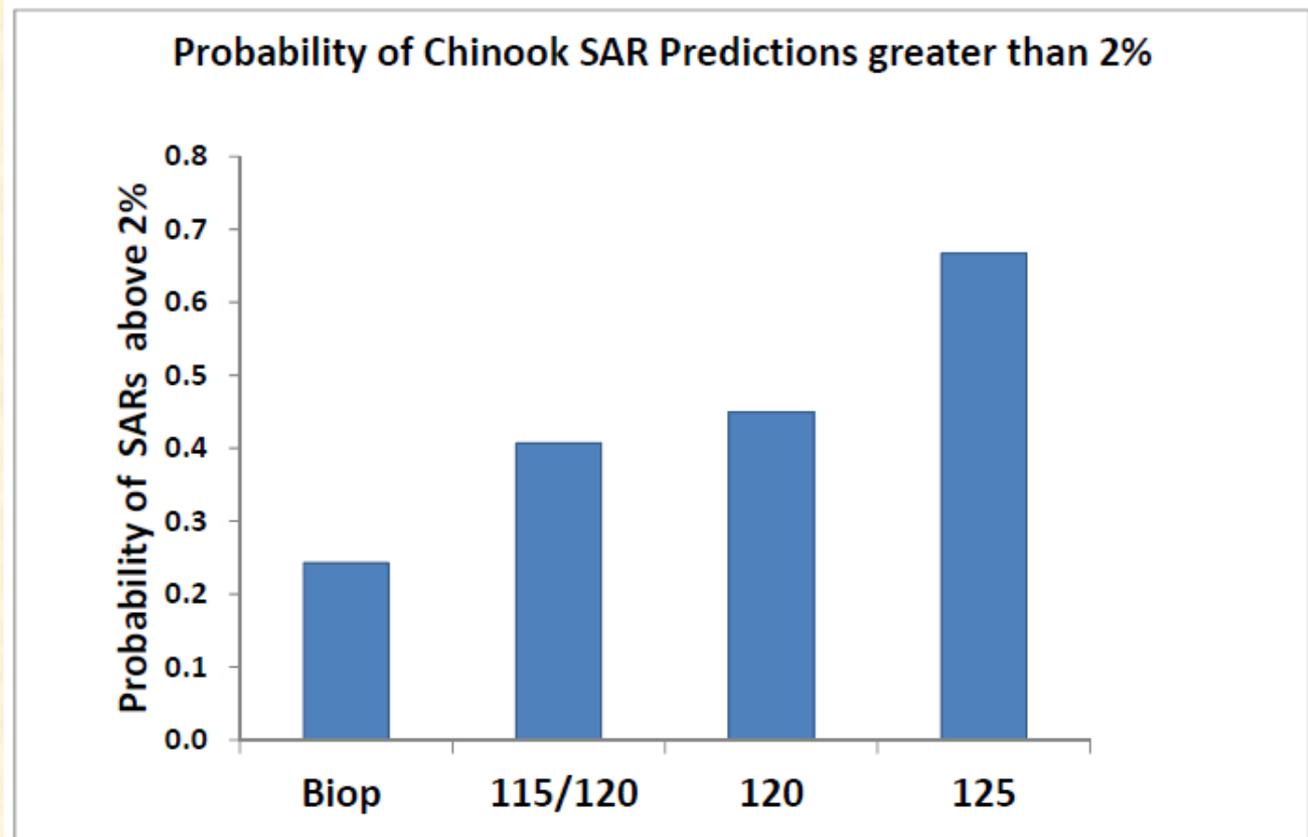
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From: Margaret Filardo & Charlie Petrosky's presentation – Annual CSS meeting April 30, 2013

Available at <http://www.fpc.org/documents/CSS/Presentations%20from%20the%202013%20CSS%20Annual%20Meeting.pdf>

CURRENT WORK ON ISSUE

- **Ecology has been asked to determine if and how the WQS can allow for a modification to the TDG criteria**
- **We are developing an issue paper on this question**
 - Paper focuses on regulatory pathways to allow a modification to the WQ standards for experimental purposes.
 - Ecology is developing in collaboration with WDFW and will be submitted to both Agencies' Directors
 - Ecology is not considering a rule revision to the TDG criteria at this time
 - All pathways Ecology considered follow the Administrative Procedures Act which include a public process.
 - Some pathways (such as a variance to the criteria) would require EPA approval and ESA consultation with Federal fish agencies.

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 - All pathways Ecology considered follow the Administrative Procedures Act which include a public process.
 - Some pathways (such as a variance to the criteria) would require EPA approval and ESA consultation with Federal fish agencies.
 - **Ecology is not determining the value of this experimental design**

This will be a question for State, Tribal, and Federal fish agencies if an appropriate experimental design can be agreed upon.

CURRENT WORK ON ISSUE

Of the regulatory pathways we reviewed

– the paper will describe two in greater detail:

**Short-term modification – Administrative Order
Waterbody Variance – State rule-making**

- Other pathways were considered but these are the most feasible.
- Each pathway will include a set of regulatory requirements including monitoring, reporting, and periodic review.

NEXT STEPS

December: provide final draft issue paper to Ecology and WDFW Directors.

- This is intended to provide the Agencies and the Governor's Office with the necessary information to determine how to move forward with request

Oregon 's process

The current waiver (120% during spill season) for the lower Columbia FCRPS dams expires August 31, 2014.

Oregon DEQ's Environmental Quality Commission will be hearing a request for renewal in March or June 2014 – discussion will likely include request for an increase to 125% for the waiver.

The earliest Ecology expects there could be a modification to both states criteria to allow increased spill would be April, 2015.

