

DRAFT

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
888 First St., N.E., Room 1A
Washington, DC 20426

Dear Ms. Salas:

The Pacific Fishery Management Council (Council) is writing to comment on the relicensing of the five Pacific Power hydroelectric projects on the Klamath River. We understand that the previous license has expired, that the project is now operating under an annual license, and that any new license will be in effect for up to 50 years.

For the reasons explained below, the Council recommends that the Federal Energy Regulatory Commission (FERC) order the decommissioning of the four lower Klamath River dam structures (Copco 1, Copco 2, Iron Gate, and J.C. Boyle) and proceed with the development of a decommissioning plan in consultation with resource agencies, tribes, and other interested parties. Such a plan should include full restoration of habitat affected by the dams and reservoirs. We also recommend that any annual interim licenses include mitigation funds to restore future anadromous habitat. In addition to the four dams listed above, the project also includes the Keno and Link River dams.* It has not been determined whether Keno dam will be included in the relicensing package, but the impacts of Keno and Link dams should be addressed from a watershed management perspective.

The Council's recommendation is consistent with National Marine Fisheries Service's (NMFS) recommendation pursuant to Section 10(a) of the Federal Power Act: "The Licensees shall develop and implement a plan to remove the lower four Project dams (Iron Gate, Copco 2, Copco 1, and J.C. Boyle dams), restore the riverine corridor, and bring upstream and downstream fish passage facilities at Keno Dam into compliance with NMFS guidelines and criteria within 10 years of license issuance, expiration, or surrender."

The Link River dam is a BOR-owned facility and is not FERC licensed. The fish passage at Link River dam was recently improved.

* December 15, 2005, to U.S. Bureau of Reclamation (BOR) on management of Klamath water flows; April 21, 2005 to U.S. Department of the Interior (DOI) on flow management and essential fish habitat (EFH) in the Klamath basin; April 23, 2004 to FERC on EFH concerns related to PacifiCorp Klamath River Hydroelectric Project FERC-2082; July 7, 2003 to BOR on EFH concerns related to the Klamath project; April 23, 2003 letter to the DOI related to water flows in the 2003 Klamath operations plan; April 22, 2003 to FERC on relicensing rules; December 4, 2002 to the DOI and Secretary of Commerce on the adverse impacts of reduced flows to Klamath salmonids; May 13, 2002 to FERC on EFH conservation responsibilities; April 22, 1999 to BOR on the Klamath project environmental impact statement. Letters available at <http://www.pcouncil.org/habitat/habdocs.html>.

As you may know, ocean fisheries on the West Coast are frequently limited by the number of naturally-spawning salmon in the Klamath River. In 2005, fishing off Oregon and California was virtually halved to meet the Klamath fall Chinook spawning objective. This year, the low abundance of Klamath Chinook will once again severely restrict both commercial and recreational fisheries along the West Coast, as well as Tribal and recreational fisheries within the Klamath River Basin, and may result in a complete closure between Monterey, California and Tillamook, Oregon.

The regulations the Council will recommend to protect these sensitive Klamath stocks, by restricting fishing on otherwise healthy stocks with which these Klamath stocks mix, are expected to have enormous economic and social impacts on West Coast fishing communities and tribes. Although fish stocks fluctuate naturally, it is clear that anthropogenic factors associated with hydropower generation including fish passage, and water quality impacts have had a long-term and increasingly detrimental impact on Klamath River salmon (NMFS 2006).

Under the Magnuson-Stevens Fishery Conservation and Management Act §305(b)(3)(B), the Council is obligated to comment on activities that are likely to substantially affect essential fish habitat (EFH) for salmon. During the last few years, the Council has written repeatedly* to FERC, the U.S. Bureau of Reclamation, and the U.S. Department of the Interior regarding impacts of Klamath River management on salmon habitat.

Habitat and fish passage in the Klamath Basin are significantly affected by the presence of dams. Lack of fish passage at the Klamath Project facilities blocks access to more than 400 miles of migration, spawning, and rearing habitat for salmon, steelhead and Pacific lamprey.

Although prescriptions identified by NMFS and USFWS (2006) would address fish passage, they do not address the broader ecosystem impacts of the four lower dams. In addition to fish passage issues, NMFS identifies the following unaddressed dam-related problems within and below the project area:

- Loss of thermal refugia
- Loss of ecosystem function
- Alteration of the natural hydrologic regime
- Impacts of impoundment, both to habitat and water temperature, including changes to dissolved oxygen, nutrient loads, disease, and toxic algae blooms; gravel depletion, and reduced flood flows
- Effects of hydroelectric peaking operations (reduced flows in bypassed reaches, effects of large flow fluctuations in peaking reaches, abundance of macroinvertebrates, fish movement, water quality, and fish stranding)

For these reasons, the Council supports NMFS' recommendations for removal of the lower four dams. Until the dams are removed, FERC should protect, mitigate damages to, and enhance fish and wildlife resources with the dams in place. Some of the recommendations provided by NMFS pursuant to Section 10(j) of the Federal Power Act are appropriate; for example, some modifications of hatchery management and ramping rates can be applied in the interim.

We recognize that several other factors, including water withdrawal practices in the upper Basin, have detrimental effects on spring flows and flow regimes. In addition, timber harvest practices, road building, parasites, and other factors also harm Klamath River stocks (National Research Council 2004). While these are beyond FERC's jurisdiction, removing the dams is an essential step toward restoring Klamath salmon populations

Under the current license, the lower three project dams (Iron Gate, Copco 1 and 2) are not equipped with fish passage facilities, and the facilities at J.C. Boyle Dam do not conform to passage criteria. PacifiCorp's proposed license under FERC does not provide passage for anadromous fish, other than minor modifications to J.C. Boyle. Providing such passage would be a major endeavor costing at least \$36 million (G & G Associates, 2003). Further, the California Energy Commission (2004) indicates that, in terms of nominal power production (163 megawatts), decommissioning one or more of the dams is a viable alternative that should be examined during FERC's relicensing process.

In light of these facts, the Council makes the following observations:

- Wild Klamath River salmon and steelhead are an irreplaceable genetic resource that play a vital ecological role even at their currently depressed levels. If these runs are allowed to diminish further, the foundation of the Klamath River's ecosystems will be severely undermined.
- Reintroduction of anadromous fish above the current barrier of Iron Gate Dam could be a key component of Klamath River Basin and West Coast restoration goals. In fact, significant resources are being directed toward improving potential habitat in the Upper Klamath Basin above Upper Klamath Lake.
- Improvement of Klamath River stocks could result in significant increases in ocean and in-river fishing opportunities, contributing to a healthy and diverse regional economy.
- The Long Range Plan for the Klamath River Basin Conservation Area Fishery Restoration Program (Long Range Plan), developed by the Klamath Basin Fishery Restoration Task Force, clearly identifies the lack of passage through and beyond the project area as a significant impact to the Klamath River anadromous fishery. In contrast, NMFS (2006) indicates that the supplemental contribution of generating capacity provided through continued Project operations is nominal (annual net value of \$16.3 million (CEC 2004)) relative to the watershed level benefits (NMFS 2006). For example, the Council calculates that over the last five years (2001 through 2005), the average annual value of the recreational and commercial ocean salmon fishery in the area affected by the abundance of Klamath River Chinook was \$64 million. The constraints on the fishery in 2006 may reduce the value of this fishery to less than \$2 million.

The habitat within and above the project area was historically an important spring Chinook spawning and rearing area, and contained abundant fall Chinook and coho habitat. Removal of the dams is a necessary step in recovering this habitat. Although it is difficult to directly quantify the fishery benefit of removing the dams, populations are more likely to recover and support sustainable ocean fisheries if habitat is restored.

The Council believes the proposed relicensing of this project will have substantial adverse impacts on EFH in the Klamath River. The project causes harm to salmon habitat, to the health of fish stocks, to commercial and recreational fisheries, and to fishing communities along the Oregon and California coasts and the Klamath River. For these reasons, the Council recommends that FERC order the immediate decommissioning of the four lower Klamath River dam structures and full restoration of habitat affected by the dams and reservoirs.

Sincerely,

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Pacific Fishery Management Council

PFMC
04/03/06

References

California Energy Commission (2004). California Energy Commission Staff Comments on PacifiCorp's Final License Application to the FERC for the Klamath Hydroelectric Project, FERC No. 82.

G & G Associates (2003). Klamath River Dam Removal Investigation.

National Marine Fisheries Service. (2006). Comments, Recommended Terms and Conditions and Preliminary Prescriptions for the Klamath Hydroelectric Project, FERC Project 2082.

National Research Council (2004). Endangered and Threatened Fishes in the Klamath River Basin – Causes of Decline and Strategies for Recovery. Washington, D.C., U.S. Department of Interior and U.S. Department of Commerce: 1-334.