

## **SOA 2009-09.5**

### **Priest Rapids Coordinating Committee Hatchery Subcommittee Statement of Agreement on Assessing the Feasibility of Modification of Chelan PUD's Carlton Pond to Provide Overwinter Acclimation Facilities and/or Expanded Capacity for Grant PUDs Fish.**

Submitted to PRCC Hatchery Subcommittee: August 08, 2009

Approved by PRCC Hatchery Subcommittee: September 17, 2009

#### **Statement**

The HSC agrees that Grant PUD should work with Chelan PUD and Douglas PUD to determine the feasibility and practicality of modifying and/or expanding Chelan PUD's Carlton Pond facility (Carlton Pond) to meet two objectives:

1. Modify Carlton Pond to provide over-winter rearing and acclimation capabilities for up to 278,000 Methow-Okanogan summer Chinook salmon for Grant PUD;
2. Expand Carlton Pond facility beyond its current capacity (utilized and reserved) of up to 550,000 smolts, to provide capacity for an additional 278,000 Methow-Okanogan summer Chinook salmon for Grant PUD. Chelan PUD's current use and reserved capacity at Carlton Pond is 200,000 summer Chinook smolts, and Douglas PUD's current capacity (utilized and reserved) is 350,000 summer Chinook smolts; including Grant PUD's obligation of up to 278,000 fish, the necessary capacity at the Carlton Pond facility would total 828,000 summer Chinook smolts.

It is anticipated that the feasibility study will be complete by September 2010.

In determining the feasibility and practicality of modifying and/or expanding the Carlton Pond facility, Grant PUD in consultation with the HSC will consider the following.

1. Whether the site setting can support the modification and/or expansion (e.g., space and water rights).
2. Whether modification and/or expansion causes unacceptable impacts to existing Chelan PUD or Douglas PUD operations.
3. Ability of Grant, Chelan and Douglas PUDs to reach agreement on facility ownership and operations and maintenance.
4. Whether proceeding to modify and/or expand Carlton Pond facility is practically implementable compared to other alternatives, including consideration of cost effectiveness, timing to completion of construction, and predictability/ease of the permitting process.

5. Durability, in particular the ability of the modification and/or expansion to support Grant PUD in meeting its facility obligation for summer Chinook salmon in the Methow River Basin for the duration of its FERC license.

If it is determined to be feasible to modify and/or expand the Carlton Pond facility to meet both objectives listed above, Grant PUD will proceed with the modification and expansion with the intent that such modification and expansion would provide capacity for the Methow-Okanogan summer Chinook salmon mitigation requirements of Chelan, Douglas, and Grant PUDs until at least 2023. If it is determined that it is feasible to meet one objective but not the other (for example, to provide for overwinter acclimation but not to expand capacity) or to only partially meet one or more objectives, Grant PUD will consult with the HSC to determine a path forward.

This SOA doesn't eliminate the need to continue to consider other options in case this option does not come to fruition. In a parallel path, Grant PUD also will continue to identify, evaluate and consider other opportunities in the Basin, including the potential opportunity to utilize the adjacent property or use the Carlton property in a different way, as a contingency plan in case work at the Carlton Pond is not feasible. Regular updates on other options under consideration will be provided to the HSC.

## **Background**

Grant PUD is obligated by the 2006 Salmon and Steelhead Settlement Agreement to develop, in consultation with the PRCC HSC, the facilities necessary to produce 833,000 (plus an additional 10% capacity allowance to provide flexibility) yearling summer Chinook smolts as part of the mitigation for affects of the Priest Rapids Hydroelectric Project. The summer Chinook mitigation is split equally into the Wenatchee, Methow, and Okanogan rivers. This SOA refers only to the portion of the summer Chinook mitigation in the Methow River.

Modifying or expanding Carlton Pond would likely allow Grant PUD's mitigation for Methow summer Chinook salmon to begin in a more timely, financially efficient, and biologically appropriate manner compared to Grant PUD developing a new facility in the Methow basin for summer Chinook salmon. Both the Chelan and Douglas PUDs Habitat Conservation Plans (HCPs) and the Grant PUD Salmon and Steelhead Settlement Agreement call for the review and potential adjustment of salmon mitigation levels at 10-year intervals beginning in 2013. In order to provide certainty to the PUDs for a substantial length of time, in exchange for the facility improvements, the JFP agrees to forego any upward adjustment of the PUDs' mitigation level for Methow summer Chinook salmon through 2023. If warranted, downward adjustment may occur. In 2023, if a review of the mitigation level indicates that the production level for Methow summer Chinook salmon should be increased above the capacity of the facility, the JFP will consider options to improve program performance before requiring Grant PUD to construct additional facilities.

Prior to implementation of any modifications and/or expansion at the Carlton Pond, Chelan and Douglas PUD's HCP Hatchery Committees must also approve the modifications and/or expansion in the form of an SOA. If modification and/or expansion of the Carlton Pond proceed,

Grant PUD will fund all appropriate aspects of the facility modifications and expansion, and associated operations and maintenance.