



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

ENVIRONMENT, FISH AND WILDLIFE

June 2, 2003

In reply refer to: KEWL-4

Laura Hicks
Army Corps of Engineers
P.O. Box 2946
Portland, OR 97208-2946

Dear Ms. Hicks:

The Bonneville Power Administration (Bonneville) is providing this letter regarding the Bonneville-funding for the Select Area Fisheries Evaluation (SAFE) project in the Columbia River Estuary Province.

The SAFE project was initiated in 1993 with funding by Bonneville, based on a recommendation by the Northwest Power and Conservation Council (Council). Project sponsors are the Washington Department of Fish and Wildlife, Oregon Department of Fish and Wildlife, and Clatsop Economic Development Council's Fisheries Project. The goal of the project is to determine the feasibility of creating and expanding known stock fisheries in the Columbia River Basin to allow harvest of strong, non-ESA listed anadromous stocks while providing greater protection to depressed fish stocks.

The SAFE project was implemented initially for a 10-year period to determine the economic feasibility of developing a terminal fishery able to meet operating costs and repay a portion of the investments through assessments on fishers' catch via the creation/expansion of off-channel commercial fisheries. The project developed in three distinct stages: (1) an initial two-year research phase to investigate potential sites, salmon stocks, and methodologies; (2) a second three-year phase of expansion in Youngs Bay and introduction into areas of greatest potential as shown from the initial work; and (3) a final five-year phase of establishing terminal fisheries at full capacity at all acceptable sites. Currently, the project is in the third phase.

To date, the (voluntary) provision of a percentage of ex-vessel values back to the fishery to maintain and support personnel and infrastructure has been insufficient to maintain the program at present levels or expand it in the absence of supplemental funding from Bonneville or the other participating agencies. Program sponsors are attempting to address this shortfall with efforts to increase participation in the voluntary assessment of ex-vessel landings and increasing the value of the catch by increasing spring Chinook production over lesser-valued stocks.

Operation and maintenance of the SAFE project remains contingent upon funding provided by Bonneville through the Council's Provincial Review Process. For Fiscal Year (FY) 2003, the

project was funded at about \$1.4 million. Funds were provided in FY 2003 to relocate a net pen at Tongue Point. This reflects a one-time cost of \$71,000 to relocate the net pen from a leased area where the project has lost the ability to lease the location, to a new dock.

Funding associated with FY 2003 addresses the tenth and final year of the feasibility study. The Council requested a final report summarizing and evaluating the findings and conclusions of this investigation as it relates to the feasibility of terminal fisheries in the Lower Columbia River. This report must address the current dynamics in the commercial fisheries such as the market, the economic value of the fisheries made possible through this project, and the value to the industry of this project in the context of all other fishing opportunities and activities in the Lower Columbia River and the Columbia River Estuary that the industry now has available. At the conclusion of the tenth season, the information and data collected to date will need to be summarized and analyzed with the report submitted in FY 2004.

The Council recommended that the project sponsors' final report be reviewed by both the Independent Scientific Review Panel (ISRP) and the Independent Economic Analysis Board (IEAB) during FY 2004, and that future funding for this proposal (i.e., FY 2005) be conditioned on a favorable review by these advisory boards and the Council. In addition, emphasis upon estuarine habitat restoration has been identified by NOAA Fisheries in their Biological Opinion for the Federal Columbia River Power System. As the region prioritizes projects associated with the Estuary Province within limited budgets, all current and planned activities will receive additional scrutiny.

We hope this information is helpful in your future decisions.

Sincerely,

/s/

John H. Rowan
Manager, Unified Plan Implementation – Lower Provinces