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Northwest In Transition: The Simpson Plan

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The Policy Analysis Group was established by the Idaho legislature in 1989 to provide objective analysis of the impacts of natural resource proposals. Issue Briefs are timely summaries of research relevant to current natural resource topics.

Introduction

The future of salmon in the Columbia River basin is central to the management of the region's natural resources. The precipitous decline in salmon numbers has for 50 years challenged policymakers to find a solution. Whether the Power Act of 1980, the listing of certain Snake River runs in 1991, 1993, and 1995, three decades of litigation, or the expenditure of nearly \$18 billion on recovery actions. Despite the multi-decade effort to find a solution, population numbers in 2021 for Snake River salmon, the most threatened, have declined to the lowest levels ever recorded. Although return rates have varied markedly, the lows of late 1990s to dramatic increases in early 2000s, a decade long decline has policymakers and fisheries scientists raising alarm that return rates are now so low salmon have reached a tipping point where recovery is uncertain.

Simpson Plan

In February 2021 Idaho Congressman Mike Simpson proposed the latest in a long line of plans to finally "solve" the salmon problem. The *Northwest in Transition* is offered as a regionwide comprehensive effort to recast the challenge, and solutions, as more than a dichotomous choice between salmon and economic benefits (hydropower, agriculture, transportation). It is centered on the future of the four dams on lower Snake River, which have become the symbol of choices that encompass the entire Columbia River basin.

Included in the \$34 billion proposal are investments in clean energy sustainability, transportation, and irrigation. Additionally, there are ideas to promote fishable runs of salmon and improve and grow tourism and recreation opportunities. Finally, there are proposals for new or enhanced governance mechanisms that include tribal and state governments, and most controversially a moratorium on environmental and endangered species litigation.

This Issue Brief summarizes specific parts of the Simpson plan, with a focus on what it might mean for Idaho. Included is a survey of initial sentiment of Idaho and regional stakeholders, and assessment of the challenges of implementation.

Dams

The plan proposes spending \$1.8 billion to remove the dams on the lower Snake River. This would require breaching (removing) the earthen berm portions of the dams, and mean putting the physical dam structures, the concrete, into mothball status. Also required would be extensive mitigation and management efforts to address sediment buildup behind the dams. This would be most evident at Lower Granite, the furthest upstream and just a few miles below the confluence of the Snake and Clearwater Rivers.

All dams in the region larger than 5MW regulated by the Federal Energy Regulatory Commission would receive a 35-year extension of the operating license. Additionally, for 26 federal Columbia and Snake River dams there would be a 35-year moratorium on litigation related to anadromous fish under the Endangered Species Act (ESA), National Environmental Protection Act (NEPA), and Clean Water Act (CWA).

Future Questions:

What mitigation actions would be required?

What are short- and long-term costs and benefits of mitigation actions?

How would removal effect current and future recreation in Clearwater and Salmon River basins?

*Extension of Federal Energy Regulatory Commission (FERC) licenses would preclude what questions?
What do other relicensing processes suggest?*

Transportation

More than \$2.3 billion would be spent on recreating the transportation system on the Snake River and lower Columbia River. This would include creation of a new transportation center at the Tri-Cities, where the Snake meets the Columbia. Also included is funding to reduce the maintenance backlog on the lock system on the lower Columbia and to increase dredging for transportation in that portion of the river.

Finally, \$1 billion is proposed as economic assistance for barge transport and riverboat operators on the lower Snake. Current use of the river for barging, for example, would be subject to flow variation and likely possible only a limited time per year if the lock system on the lower Snake no longer operates.

*What are economic benefits to Tri-Cities area from proposed transportation center?
What would be effects on salmon populations from dredging on lower Columbia.
Are barges and riverboats economically viable without lock system?*

Energy

The plan proposes major changes to how the federal hydropower system operates and is managed. The focal point is the Bonneville Power Administration (BPA). The BPA, which markets power produced by the federal system and indirectly serves nearly 15 million customers, would be allowed to double borrowing limits (from \$7.5 to \$15 billion). It would receive \$10 billion to replace power production lost to spilling water for salmon recovery actions and the decommissioning of the lower Snake River dams.

Perhaps most important for BPA, the Agency would see its costs for environmental protection and habitat restoration capped at \$480 million per year. It would also no longer be a direct participant in managing fish and wildlife recovery efforts. There would be approximately \$18 billion for upgrades to generation and energy storage, and to optimize power grid efficiency and resilience.

*Will increased borrowing limits and compensation for lost power production stabilize BPA's long-term finances?
How will restoration actions and management of recovery efforts change if BPA is no longer a participant in decision making?*

Community Redevelopment

To offset potential economic losses in local communities, cities and towns would be in line to receive several hundred million dollars to boost waterfront restoration and promote tourism and recreation. Lewiston and Clarkston, the cities most directly affected by dam removal, would see potentially a \$1 billion investment in a center for advanced energy storage and associated research funding. This would offer an opportunity for the region to transition towards a 21st century economic future. Additionally, the owners of private and public dams across the region would be able to access a \$500 million fund to remove or modify smaller scale water infrastructure.

*What can future tourism and recreation "look like?"
What are recreation and tourism priorities for communities in the region?
What would be potential economic benefits of center for Lewiston-Clarkston region?
What effects have previous small-scale infrastructure modifications had on fish populations?*

Agriculture

Farmers who draw water from the Snake would receive \$750 million to reconfigure infrastructure so they could continue to have access to irrigation. Nutrient management would be targeted for \$1.6 billion to support research on turning animal waste into biofuels and to provide incentives to agriculture interests to reduce nutrient discharge.

An additional \$3 billion would be devoted to support voluntary collaboration efforts to revitalize salmon habit and watersheds through regional watershed working groups. Participating agricultural interests would get a 25-year exemption from ESA and CWA litigation.

What is the current and future market demand for biofuels?

What are the lessons from previous or current voluntary efforts (regionally and elsewhere) on the efficacy of smaller-scale, private-property centered habitat revitalization actions?

Governance

Included are plans to recreate how salmon in the Columbia Basin are managed. A proposed Northwest State and Tribal Fish and Wildlife Council would make state and tribal governments co-equal partners and the principal managers of approximately \$600 million in ratepayer funded recovery efforts in the basin. In addition to expanded research and monitoring efforts, there would be programs to control predators and invasive species. There would also be over \$2 billion in one-time funding for fish passage enhancements for lamprey and sturgeon.

How will new governance structures effect decision-making?

What are the priorities of tribal governments in the future?

What role for federal government actors in salmon recovery efforts?

Initial Reaction

The reaction across the region has been, expectedly, mixed. A complicated assortment of stakeholders has been assessing what the proposals mean directly and indirectly for the future of salmon and river management. Conservation organizations are generally supportive. Both the Idaho Conservation League and Trout Unlimited have expressed support for the scope, proposed resources, and recognition of the need to do something before it is too late to recover salmon populations. "It's probably the only hope those Idaho salmon have left," contends Trout Unlimited. The Idaho River Community Alliance, which advocates for river communities in the Salmon and Clearwater basins, suggests the proposal may be "the light at end of the tunnel." Somewhat unexpected, agriculture interests in the lower reaches of the Snake have expressed cautious support for the plan as a means to solve the salmon problem. Tribal governments, most notably for Idaho the Nez Perce, have expressed strong support, noting the potential extinction of salmon would be "a moral failure of the highest order."

There is, given the complexity and scope of proposed changes, strong negative reaction as well. In a joint statement, Washington Governor Inslee and Senators Cantwell and Murray were appreciative of Congressman Simpson's efforts, but contend more work needs to be done to "create a lasting, comprehensive solution." Moreover, to position the State of Washington at center of salmon recovery the focus must be on Puget Sound and previous Washington efforts "must be the model for management of Columbia River basin." Additionally, there has been resistance from several members

of Congress from across the region. Both Idaho senators (Crapo and Risch) and members of the House from Washington (McMoriss-Rogers) and Idaho (Fulcher) have expressed varying degrees of disapproval. Moreover, the leadership of the Idaho Legislature has expressed strong opposition and Idaho Governor Little contends the proposal would have “devastating impacts on Idahoans.” Some directly affected stakeholders have been among the most vocal critics. The Port of Lewiston asserts the proposal spends \$billions for limited gains for salmon recovery.

Finally, the proposal has exposed a divide in how environmental stakeholders view various pieces. Eighteen of the region’s environmental organizations issued a statement rejecting the proposed moratoriums on litigation. These groups believe the moratoriums on the ability to litigate under the CWA and ESA would limit greatly their ability to participate in and shape water management and salmon recovery. There is also concern the proposal and its possible implementation in whole or part would upset the balance between environmental groups who participate through litigation and those, generally more conservation oriented (see above), who have historically favored collaborative approaches.

Initial Assessment

The strength of the *Northwest in Transition* is its totality, attempting to solve with one big proposal a natural resource management challenge that has for half a century defied solution. Yet the weakness of *Northwest in Transition* is its totality, the proposal to solve the salmon problem in one all-encompassing, complex proposal. The totality and complexity make it both resilient, parts can be changed, and fragile—as changing some parts has the potential to unravel the entire proposal. For example, leaving out some pieces might lead stakeholders, who view specific benefits as greater than specific costs, to withdraw support or directly oppose.

Moreover, the various pieces of the proposal are not functionally dependent on each other. The lower Snake River dams could be removed or the BPA debt limit lifted without infrastructure improvement downstream, investment in the region’s energy system, or habitat restoration efforts. Conversely, Congress could recast salmon management in the region, impose a moratorium on litigation, or cap BPA spending on restoration, without dam removal.

To be determined, and perhaps the most challenging from a policymaking perspective, is where will decisions be made. *Northwest in Transition* positions the federal government as the primary actor. This is not unexpected given federal agencies manage the primary pieces of the regional hydropower system, that only Congress can impose a litigation moratorium, and that funding would come from the federal government. The primary federal government role may conflict with the greater role the region’s state governments are seeking to play in salmon recovery. The *Columbia Basin Collaborative*, an effort by the Governors of Idaho, Montana, Oregon, and Washington to develop shared basin-wide approach might be relegated to the sidelines by federal government centered effort.

Northwest in Transition is striking in boldness and complexity. Combining a set of discrete pieces into an overarching framework it offers an opportunity to strike a balance between disparate stakeholder groups and become an overarching compromise. Given the perilous state of fish populations it may be the last chance to save Idaho salmon.