

## SKAGIT COUNTY BOARD OF COMMISSIONERS

**LISA JANICKI, Chair,** Third District **RON WESEN,** First District **PETER BROWNING,** Second District

January 21, 2021

Jenny Durkan, Mayor City of Seattle P.O. 94749 Seattle, WA 91824-4749

RE: Federal Energy Regulatory Commission (FERC) Relicensing of Skagit Project

Mayor Durkan,

On December 9, 2020, we wrote you to express grave concern with Seattle City Light's approach to the federal relicensing of Seattle's Skagit dams, observing that Seattle's actions in the Skagit are creating problems for our community, while failing to equitably contribute to harvestable levels of salmon required by, among other things, the Treaty of Point Elliott. City Light's leadership has repeatedly expressed an intent to follow the same path during the 50-year federal license now under consideration.

On January 15, 2021, we received a response from City Light CEO Smith, a copy of which is attached for your convenience. CEO Smith's letter only serves to amplify our concerns, which center on City Light's ongoing unwillingness to acknowledge that the status quo on the Skagit is unacceptable to Skagit tribes, federal agencies, state agencies, and virtually all other stakeholders involved, including Skagit County.

CEO Smith's January 15 letter makes the astonishing claim that "[t]he current operation of the Skagit Project has contributed to rebounding of fish populations that had experienced significant declines from historical levels." This is inconsistent with the fact that three Skagit anadromous species have been listed under the U.S. Endangered Species Act since Seattle's last license, with more under consideration and tribal fishery closures the norm.

This assertion is further contradicted by the National Marine Fisheries Service<sup>1</sup>, the Upper Skagit Indian Tribe<sup>2</sup> and numerous others, all of whom insist that Skagit anadromous stocks are declining or failing to recover under current Seattle dam operations.

CEO Smith states that "City Light is committed to working with Skagit County and all other relicensing participants to identify how we can continue to address any Project effects on salmon and other resources," yet City Light recently rejected, with scant explanation, the vast bulk of the scientific study requests sought by the Skagit Tribes, NMFS, US Fish & Wildlife Service, Washington Department of Fish & Wildlife, Skagit County and others, which seek holistic study of the Skagit dams' impacts, including, among other things, fish passage.

Our December 9, 2020 letter noted that Seattle's \$6.32 million in anadromous species investment on the Skagit (pursuant to the 1991 Fisheries Settlement, incorporated in Seattle's 1995 license) represents less than \$10,000/megawatt, whereas ratepayers in our own community are funding a \$1 million/megawatt salmon investment on the Baker dams, totaling \$170 million, via our Puget Sound Energy UTC-approved power rates, investment that is demonstrably producing significant levels of Treaty-harvestable salmon on the Skagit. This is glaring inequity. Like CEO Smith's letter, City Light has repeatedly claimed that its financial investment in Skagit salmon under its 1995 license is actually somewhat higher, but, thus far, has failed to quantify that claim or provide any documentation despite our repeated requests.

As we have communicated in prior correspondence, our concerns arise from the requirement that we must all equitably contribute to anadromous species on the Skagit as the Treaty of Point Elliott and federal law require. We again write to express concern with City Light's approach to these collective obligations in the context of the Skagit relicensing.

Sincerely,

**BOARD OF SKAGIT COUNTY COMMISSIONERS** 

LISA JANICKI, Chair

PETER BROWNING, Commissioner

RON WESEN, Commissioner

<sup>&</sup>lt;sup>1</sup> Letter from NMFS to City Light dated 1/15/2021 (Seattle's Skagit study plan "appears designed to support continuance of past operations in the new license, whereas the status of NMFS's trust species has declined and/or remained depressed under those operations.")

<sup>&</sup>lt;sup>2</sup> Upper Skagit Indian Tribe Scoping Comments to FERC, 10/26/2020 ("[A]s anadromous salmon and steelhead trout populations continue to decline within the Skagit River, as baseline conditions change at an increasing pace, and new information is brought forth, it is necessary for an overhaul of the existing license requirements.")

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cc: Senator Maria Cantwell Senator Patty Murray

Representative Suzan Del Bene Representative Rick Larsen

Governor Jay Inslee

Jennifer Washington, Chair, Upper Skagit Indian Tribe Steve Edwards, Chair, Swinomish Indian Tribal Community

Norma Joseph, Chair, Sauk-Suiattle Indian Tribe

Debra J. Smith, General Manager and CEO, Seattle City Light



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Via Email: commissioners@co.skagit.wa.us

January 15, 2021

SKAGIT COUNTY BOARD OF COMMISSIONERS RON WESEN, FIRST DISTRICT PETER BROWNING, SECOND DISTRICT LISA JANICKI, THIRD DISTRICT 1800 CONTINENTAL PLACE, SUITE 100 MOUNT VERNON, WA 98273

Re: Skagit River Hydroelectric - Seattle City Light's Response to Skagit County Board of Commissioners

## **Dear Commissioners:**

I am writing in response to your letter of December 9, 2020 which outlined your concerns with Seattle City Light's (City Light) approach to relicensing of the Skagit River Hydroelectric Project (Project). In 2018, we launched the second relicense of this important carbon-free energy generation resource. As you know, hydropower relicensing is a multi-year, heavily regulated process involving federal and state agencies and a large and diverse group of stakeholders. We take this process very seriously and have assembled an experienced project team. We look forward to the opportunity to engage with the many stakeholders, especially our tribal and local government partners, as we work our way through this long process.

City Light has been, and continues to be, an active partner in the protection and enhancement of salmon and steelhead populations in the Skagit River, including through implementation of the operating license and actions taken as a long-time member of the Skagit Watershed Council. In fact, current Project operations expressly prioritize the protection of fish habitat over the production of power. Decision-making regarding flows in the river and investments in habitat improvements is guided by resource committees that include Tribes and federal and state regulatory authorities. The current operation of the Skagit Project has contributed to the rebounding of fish populations that had experienced significant declines from historical levels. Salmon recovery is a watershed-wide effort and all parties with decision-making authority over the use of land and water resources from the upper reaches of the river to the estuary should be guided by the best science available and address critical limiting factors as urgently as possible.

We also recognize the importance of the Skagit River watershed to the Tribes and First Nations whose ancestral homelands have included the area since time immemorial and the rights reserved by the Tribes through the Treaty of Point Elliot. As such, we are in regular communication with and consulting the leadership and staff of each Tribe and First Nation directly to understand the extent of their

interests and requests for information needed to support their participation in the relicensing process. We will continue to work directly with the Tribes and federal resource agencies to identify, analyze, and develop measures to mitigate, as appropriate, impacts of the operation of the Project on the natural and cultural resources of the Tribes.

We also must note that relicensing is not, in and of itself, a salmon recovery planning process. Salmon recovery is led by the National Marine Fisheries Service (NMFS) in cooperation with state and tribal fisheries managers pursuant to applicable federal law and co-management practices. Relicensing is led by the Federal Energy Regulatory Commission (FERC) and governed by the Federal Power Act (FPA). Submittals by Seattle City Light to FERC must meet specified criteria, as I am sure you can understand given your own regulatory authorities. Certainly, recovery planning and relicensing will benefit from a coordinated approach. Our collective challenge is to identify how we can improve on successes made over the past 25 years by refining operational parameters, as may be necessary, to continue to operate the system for the protection of salmon and other resources, while maintaining this important renewable energy resource.

City Light is committed to working with Skagit County and all other relicensing participants to identify how we can continue to address any Project effects on salmon and other resources. However, we do not believe your letter accurately portrays City Light's total investments in salmon health over the past 25 years, nor does it accurately portray how the costs of producing power are borne by customers. At this early stage in the relicensing process, City Light has already committed to spending tens of millions of dollars on research, including at least 28 studies over the next two years. These efforts were informed by input from all parties and are responsive to FERC's relicensing process criteria.

Your comments, however, do point to the need for City Light to provide more contextual information about the economics of producing hydropower and its role in helping to mitigate climate impacts in the Skagit River, including helping to ensure safe water levels and temperatures at critical times for the salmon and steelhead populations. We would be happy to arrange a more in-depth conversation with you about this at your request. We are also willing to engage directly with you regarding the financial impact that the mitigation lands have had on Skagit County.

Hydropower is a vital component of a clean energy future. Investments in wind and solar must be balanced by energy from dispatchable resources, such as the Skagit Project, to realize our goals to curb carbon emissions and reduce the negative impacts of climate change. Seattle is committed to maintaining the Project for decades to come with appropriate measures to mitigate impacts that will be determined through the relicensing process over the next several years.

Please contact Chris Townsend, the Natural Resources and Hydro Licensing Director, at (206) 304-1210 or <a href="mailto:chris.townsend@seattle.gov">chris.townsend@seattle.gov</a>, if you have questions or would like to schedule a follow-up meeting.

Sincerely,

Dema 7. Smith

Debra J. Smith General Manager and CEO Seattle City Light

Cc: Mayor Jenny Durkan

Deputy Mayor Casey Sixkiller Jennifer Washington, Chair, Upper Skagit Indian Tribe Steve Edwards, Chair, Swinomish Indian Tribal Community Nino Maltos, Chair, Sauk-Suiattle Indian Tribe Senator Maria Cantwell

Senator Maria Cantwell Senator Patty Murray Representative Rick Larsen Governor Jay Inslee