

REVISED DRAFT

May 5, 2005

Doug Marker, Director of Fish and Wildlife  
Northwest Power and Conservation Council  
851 SW 6th Avenue, Suite 1100  
Portland, OR 97204-1348

Greg Delwiche, Environment, Fish and Wildlife  
Bonneville Power Administration  
905 NE 11th Avenue  
Portland, OR 97208-3621

Rod Sando, Executive Director  
Columbia Basin Fish and Wildlife Authority  
851 SW 6<sup>th</sup> Avenue, Suite 260  
Portland, OR 97204

Dear Sirs:

The purpose of this letter is to clarify the role of Columbia Basin Fish and Wildlife Authority (CBFWA) staff with respect to participation in the Budget Oversight Group (BOG) and to request a spending projection from BPA for Fiscal Year 2005 in the Expense portion of the Integrate Program. The BOG was formed in 2004 as a mechanism for Northwest Power and Conservation Council, Bonneville Power Administration and CBFWA staffs to monitor the implementation of BPA's Integrated Program Budget in an open forum with consistent and transparent presentation of project budget information. The CBFWA agreed to host a web page to insure adequate dissemination and tracking for all Integrated Program Budget information. It appears that the role of the BOG may be changing to include decision making on the priority of distribution of unallocated funds among within-year budget adjustment requests for project funding. We believe that this project funding allocation role is inappropriate for the BOG for the following reasons:

- 1) the BOG members do not have the project level information and experience necessary to make fair and informed decisions regarding the full list of requests;
- 2) allocation decisions should consider all projects within the Program that have submitted requests during the start-of-year process (see enclosed CBFWA letter dated 11/15/04 regarding NPCC's flat funding policy), as well as projects making requests in the within-year process; and
- 3) the CBFWA has recommended in the past a formal within-year process for consideration by NPCC and BPA, that appropriately included the fish and wildlife managers in the prioritization process (see enclosed CBFWA Guide to Within-year Modification Requests – August 2002).

If the BOG becomes a de-facto decision making body for prioritization of funding requests, the CBFWA staff can no longer participate in that body.

Doug Marker, NPCC  
Greg Delwiche, BPA  
Rod Sando, CBFWA  
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On a related matter, it is not clear how BPA is determining the level of unallocated funds available for redistribution within the Program. At the current rate of spending in FY 2005, and considering that the Program was under-spent by \$7 million in FY 2004, it appears that BPA could honor all current within-year requests without risk of overspending the \$139 million average during the current rate period. We request that BPA provide a spending projection for FY 2005 including funding available through the remainder of this fiscal year for reallocation among projects.

We hope that this clarifies our position on CBFWA staff representation on the BOG and we look forward to BPA's response to our FY 2005 spending projection request.

Sincerely,

Tony Nigro, Chair  
CBFWA

Enclosures (2)

cc: CBFWA Members  
Budget Oversight Group  
Council Members

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