

# CASE

## Bull Run Hydro Project Decommissioning

### Challenge:

When Portland General Electric proposed to decommission a 90-year-old hydropower project in a scenic area close to Portland, few models existed for how to do it in an environmentally sensitive and cost-effective way. Environmental issues included protecting endangered salmon and preventing damage from the release of sediments accumulated behind the dams. Portland General Electric took the initiative to form a Decommissioning Working Group mediated by RESOLVE, composed of representatives of government agencies, businesses and public interest groups to jointly examine the complex policy, science and engineering issues and develop a plan for the decommissioning.

### Result:

The Working Group negotiated a consensus agreement for a comprehensive approach to the decommissioning that included removal of two dams and project operations, donation of project lands, measures to protect salmon and restore habitat, transfer of water rights and a commitment to conduct ongoing monitoring and take action based on the results. The donated lands will form the heart of a scenic, 5,000-acre conservation and public recreation area, while the water rights transfer will ensure that four miles of the Little Sandy River will see water for the first time since 1912.

## Participants

Portland General Electric  
U.S.D.O.I. Fish & Wildlife Service  
U.S.D.A. Forest Service  
U.S. Bureau of Land Management  
NOAA Fisheries  
State of Oregon, Governor's Office  
Oregon Dept. of Environmental Quality  
Oregon Dept. of Fish and Wildlife  
Oregon Water Resources Dept.  
Oregon Division of State Lands  
Western Rivers Conservancy  
Sandy River Basin Watershed Council  
NW Steelheaders  
Northwest Sportfishing Industry Association

City of Portland, Oregon  
City of Sandy, Oregon  
Alder Creek Kayak Supply, Inc.  
American Whitewater  
Waterwatch  
American Rivers  
Oregon Trout  
Native Fish Society  
Trout Unlimited  
Oregon Council of Trout Unlimited

### MEDIATORS

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## Issues

On the slopes of Mount Hood near Portland, Oregon, the Sandy and Little Sandy Rivers course toward the ocean. The area is a lovely, wild place close to the city, home to salmon and other endangered species. Portland General Electric (PGE) operates two dams on the rivers that are part of the "Bull Run Project" for hydropower generation.

In the late 1990s, PGE faced a decision. Continuing to operate the Bull Run Project for electricity would have required relicensing by the Federal Energy Regulatory Commission. Conditions likely to be added to any new license would have considerably raised the cost of operating the project, which supplies less than 1 percent of

Portland's electricity needs. PGE decided not to relicense the project and proposed to decommission the dams and project operations.

What seemed on its face to be an easy win for salmon and the environment proved more complex as PGE and stakeholders examined the situation. It was unclear what would happen to 90 years of sediment accumulation behind the dams and what effect its release would have on water quality, fisheries and downstream habitat. In addition, the Marmot Dam served a useful purpose in segregating wild salmon that spawned above the dam from hatchery salmon restricted to the lower reaches.

## Process

In early 2002, PGE sought the assistance of RESOLVE's Portland office in convening and facilitating a multi-party decommissioning negotiation process to address complex policy, scientific and engineering challenges of the proposed dam removal and to develop a comprehensive decommissioning plan. This collaborative process could only be effective if informed by the best science and engineering available. PGE contracted with respected experts to provide the group with access to expertise and real-time consultation.

The Bull Run Hydroelectric Project Decommissioning Working Group (DWG) met over the course of nine

months and reached full consensus agreement on a comprehensive plan that included:

- **PGE Land Donation of about 1,500 acres of project land and other nearby holdings to the Western Rivers Conservancy, forming the foundation of a planned 5,000-acre conservation area.**
- **Water Right Transfer from PGE to the Oregon Water Resources Department, to provide in-stream flow for the benefit of aquatic resources and public recreation.**
- **Removal of the Project to provide approximately six miles of newly accessible salmon and steelhead habitat and enhance flows in about 15 miles of existing habitat.**
- **Formation of an Endangered Species Act Monitoring and Implementation Team to ensure ESA and project removal activities are conducted in accord with the agreement.**
- **Measures for site restoration and historic preservation.**

## Results

In October of 2002, Oregon Governor John Kitzhaber, PGE President Peggy Fowler and representatives of 21 organizations that participated in negotiations, signed the agreement, setting in motion its implementation. The comprehensive settlement agreement will provide long-term regional benefits, including the decommissioning and removal of two dams and project operations, donation of project lands, measures to protect salmon and restore habitat, transfer of water rights and a commitment to conduct ongoing monitoring and take action based on the results. The donated lands will form the heart of a scenic, 5,000-acre conservation and public recreation area.

The project is also viewed as a model for future dam decommissioning efforts in several ways. It will be the most complex hydroelectric project dismantling ever attempted in the United States. Participants recognized uncertainties about the effects of changes to the management of the wild and hatchery fisheries and, through the agreement, provided for management based on the monitoring results. Participants developed an innovative approach to navigating byzantine requirements to redirect the project's water rights for public purposes. As a result, the water rights transfer will ensure that four miles of the Little Sandy River will see water for the first time since 1912.

Scientific/Technical Obstacles and Actions	
O B S T A C L E	A C T I O N
Pioneering effort to design an approach for a single-season dam removal in an environmentally sensitive and cost-effective way	Joint inquiry to identify, explore and develop innovative approaches to addressing a range of science and engineering issues
Uncertainty about physical impacts to the river structure	Improving policy decision making through development of a model to help participants explore and understand likely changes
Unknown biological impacts to endangered salmonids (due to hatchery fish); desire to reduce uncertainty and risk	Commitment to conduct monitoring and to take future actions contingent on monitoring results