Subactivity: Endangered Species  
Program Element: Consultation and Habitat Conservation Planning

<table>
<thead>
<tr>
<th>Request Component</th>
<th>2007 Actual</th>
<th>2008 Enacted</th>
<th>Fixed Costs &amp; Related Changes (+/-)</th>
<th>Program Changes (+/-)</th>
<th>Budget Request</th>
<th>Change From 2008 (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultation &amp; Habitat</td>
<td>49,179</td>
<td>51,578</td>
<td>+954</td>
<td>-1,135</td>
<td>51,577</td>
<td>-181</td>
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<tr>
<td>Conservation Planning</td>
<td>FTE</td>
<td>429</td>
<td>433</td>
<td>-</td>
<td>-1</td>
<td>432</td>
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</table>

Summary of 2009 Program Changes for Consultation and Habitat Conservation Planning

<table>
<thead>
<tr>
<th>Request Component</th>
<th>($000)</th>
<th>FTE</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Program Activities</td>
<td>-984</td>
<td>-1</td>
</tr>
<tr>
<td>Travel Reduction</td>
<td>-141</td>
<td>-</td>
</tr>
<tr>
<td>Contracts Reduction</td>
<td>-10</td>
<td>-</td>
</tr>
<tr>
<td>Total, Program Changes</td>
<td>-1,135</td>
<td>-1</td>
</tr>
</tbody>
</table>

Justification of 2009 Program Changes

The 2009 Service request for Consultation and Habitat Conservation Planning is $51,577,000 and 432 FTE, a net program change of -$1,135,000 and -1 FTE from 2008 Enacted.

General Program Activities (-$984,000 / -1 FTE)

To enable the Service to address its highest priorities, the Service proposes reducing FY 2009 program administrative funding in Endangered Species Consultations and Habitat Conservation Planning Program. The Service believes savings can be achieved through streamlining program management. The requested budget change will not significantly affect performance of the Consultations and Habitat Conservation Planning Program. Funding provided for General Program Activities in fiscal year 2009 will allow the Service to meet its targeted number of consultations; however, the overall number of backlogged consultations will continue to increase. For further information on performance data, please refer to the Program Performance Table at the beginning of the Endangered Species section.
Program Performance Change

<table>
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<tr>
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<th></th>
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<tbody>
<tr>
<td>Resource Protection - Sustaining Biological Communities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>CSF 7.16 % of formal/informal &quot;other&quot; consultations addressed in a timely manner</td>
<td>unk</td>
<td>unk</td>
<td>84% (15,902 of 18,822)</td>
<td>76% (13,777 of 18,040)</td>
<td>76% (13,777 of 18,040)</td>
<td>73% (13,777 of 18,942)</td>
<td>-3.6% (-4.8%)</td>
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<td>CSF Total Actual/Projected Cost($000)</td>
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<td>CSF Program Total Actual/Projected Cost($000)</td>
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<td>Actual/Projected Cost Per Unit (whole dollars)</td>
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<td>$1,824</td>
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<tr>
<td>14.1.2 % of formal/informal energy consultation requests addressed in a timely manner</td>
<td>unk</td>
<td>unk</td>
<td>85% (2,886 of 3,380)</td>
<td>93% (2,801 of 3,027)</td>
<td>86% (2,675 of 3,112)</td>
<td>86% (2,675 of 3,112)</td>
<td>82% (2,675 of 3,267)</td>
<td>-4.1% (-4.7%)</td>
</tr>
</tbody>
</table>

Comments:

Unk – Unknown – The ES program does not have data for these items or it was not available in the past.

1/ The performance measures in this table include revised GPRA Strategic Plan performance measures and program-level workload measures. The program is developing new ongoing outcome and annual output performance measures as a result of a PART review conducted in 2005. The new measures may replace or revise many of the measures included in this table.

Program Overview

The Consultation program is the primary customer service component of the Endangered Species program and makes an important contribution to the Service’s resource use and resource protection mission goals. The Consultation program includes two primary components, the Section 10 Habitat Conservation Planning program and the Section 7 Consultation program. The Service works with private landowners and local and state governments through the Habitat Conservation Planning program to develop Habitat Conservation Plans (HCPs) and their associated Incidental Take Permits. By working with non-federal entities to develop and implement HCPs, the Service identifies conservation measures to benefit species and habitats promoting the stabilization and improvement of endangered, threatened, and species at-risk. The Service works with federal agencies and project applicants through the Section 7 Consultation program to ensure the activities they authorize, fund, or carry out does not jeopardize the continued existence of listed species or destroy or adversely modify critical habitat. The Service’s Consultation program embodies cooperative conservation approaches to ensure necessary compliance. Service personnel actively work with State and local partners to achieve common conservation goals.

Section 10(a)(1)(B) - Habitat Conservation Planning

Section 10(a)(1)(B) of the Endangered Species Act (ESA) provides for the permitting of the incidental take of threatened and endangered species. The Service’s incidental take permit program is a flexible process for addressing situations in which a property owner's otherwise lawful activities might result in incidental take of a listed species. Using the best scientific information available, non-federal entities develop HCPs as part of the application requirements for an incidental take permit. The HCP program encourages applicants to explore different methods to achieve compliance with the ESA and choose an approach that best suits their needs while addressing ESA compliance. The HCP program’s major strength is that it encourages locally developed solutions to wildlife conservation while providing certainty to permit holders. Local entities and private landowners are given assurances they will not be
required to make additional commitments of land, water, or money, or be subject to additional restrictions on the use of land, water, or other natural resources, for species adequately covered by a properly implemented HCP.

HCPs vary widely in complexity, size, and number of species addressed. While the program has existed since 1983, it has grown in recent years with nearly 49 million acres of land covered by HCPs at the end of fiscal year 2006, compared to about 6 million acres at the beginning of fiscal year 1999. About 350 HCPs are currently under development or awaiting approval. HCP planning areas can be as small as a single, private residential property of less than an acre, or as large as entire counties or, in some cases, entire States. Integration of the HCP process with local land-use planning occurs more frequently. Many local governments recognize the advantages of integrating planning needs and have taken the planning approach beyond just endangered species issues to comprehensively address environmental issues.

To foster landscape- and ecosystem-level approaches to planning, the Service encourages applicants for Section 10 permits to address multiple species, including proposed and candidate species as well as listed species, in their HCPs. Including candidate and species at-risk in their HCPs gives landowners and local governments the opportunity to take a more holistic approach to conservation and to minimize future conflicts. This type of regional planning benefits numerous species within an ecosystem and streamlines ESA compliance for the small landowners within the planning area. In addition, by covering candidate and species at-risk in an HCP, landowners can avoid potential future disruptions in project planning and implementation, should one or more of these covered, unlisted species be listed.

Service involvement in the HCP process does not end once an HCP is approved. We often participate on HCP implementation steering committees, and provide additional technical support for managing and operating conservation programs. We also work with permittees to monitor compliance as well as process HCP amendments and renewal requests. In addition, we monitor HCPs to determine whether the mitigation strategies are effective and whether the anticipated effects are actually occurring, and assist permittees in implementing their adaptive management strategies. Results are periodically assessed, and, if shortcomings are evident, previously agreed-upon alternative strategies are implemented, thereby reducing conflict between the Service and permittees regarding ESA compliance.

Adaptive management is used by applicants and the Service to develop effective, flexible HCPs. Creating results-based HCPs rather than simply fulfilling a list of prescriptive actions not only increases flexibility for the permittees, but promotes the desired biological outcomes. In addition, a results-oriented program (based on an adaptive management strategy) actually provides certainty to the permittees by establishing the framework to modify the HCP when necessary.

Section 7 - Interagency Consultation
Section 7 of the ESA requires federal agencies to use their authorities to further the purposes of the ESA, including an obligation to ensure that activities they authorize, fund, or carry out do not jeopardize the continued existence of listed species or destroy or adversely modify their designated critical habitat. For example, U.S. Forest Service (USFS) or Bureau of Land Management (BLM) approval of livestock grazing on federal lands, or the U.S. Army Corps of Engineers approval of discharge of fill material into waters of the U.S., requires Section 7 consultation when these activities may affect listed species.

Non-federal applicants play a large role in the consultation process because many of the Federal actions subject to Section 7 consultation, (e.g. grazing allotments or timber sales on federal lands and permits issued under the Clean Water Act) involve non-federal applicants. Section 7 of the ESA and its implementing regulations provide non-Federal applicants a role in all phases of the interagency consultation process. A prospective applicant may request Federal agencies conduct an early consultation to discover and attempt to resolve potential conflicts early in the planning stages of a project. The Service
and the authorizing Federal agencies rely on the participation of the partners to develop methods for providing species protection consistent with their projects.

Coordination between the Service, other Federal agencies, and their applicants during consultation is critical to ensure that the design of projects does not jeopardize listed species or destroy or adversely modify designated critical habitat. For example, the Service works with the USFS, BLM, and a variety of local governments to implement hazardous fuels reduction projects to reduce the risk of catastrophic wildfires while ensuring these projects do not jeopardize endangered and threatened species. In some instances, these fuels reduction projects can have an overall benefit to listed species that are themselves vulnerable to catastrophic wildfire; the consultation process helps ensure these benefits are achieved while minimizing the possible immediate adverse impacts of the projects on listed species.

Formal consultation is required when a proposed action cannot be implemented without adversely affecting a listed species or its designated critical habitat. During formal consultation, the Service, the action agency, and the applicant work closely to identify and minimize the effects of the project to species and their habitats. The Service then develops a biological opinion that:

- States whether the proposed action is likely to jeopardize any listed species or destroy or adversely modify any designated critical habitat;
- Describes any reasonable and prudent alternatives to the project that avoid jeopardizing a species or adversely modifying critical habitat, if a jeopardy or adverse modification finding is made; and,
- Describes and authorizes any incidental take anticipated from the proposed action.

The Section 7 workload (requests for consultation) has increased in recent years. Specifically, the workload has grown from 40,000 requests in 1999 to 67,000 requests for technical assistance or consultations for Section 7 compliance in FY 2006. This increase in demand makes it essential to identify techniques for streamlining Section 7 review for individual projects. Programmatic consultations are another method for managing the increasing consultation workload. Effective and adaptive consultation practices and the availability of well-trained staff have been, and will continue to be, the primary factors in maintaining a remarkable rate of success.

Consultations and the Endangered Species Strategic Plan
Consultation and Habitat Conservation Planning are critical to achieving the performance measures identified in the draft Endangered Species Strategic Plan. For many prioritized listed species, recovery will require collaborative efforts between the Program and its many partners including other Federal agencies and private landowners. Importantly, consultations and conservation planning do not only benefit listed species, but also conserve species-at-risk with overlapping distributions.

Consultations conducted for Federal actions and Conservation Agreements negotiated with private interests for energy, hydropower, forage, fire, water, and other economic development are critical to maintaining the status of all species and contribute significantly to the recovery of listed species. Specifically, consultation and conservation planning benefit listed species by providing additional information on species distribution and abundance, creating new methods for providing species protection, implementing protective measures to reduce extinction risk, restoring habitat necessary for recovery, and carrying out other on-the-ground activities for managing and monitoring listed species and their habitat. Additional funds provided by federal partners to support these activities bring additional resources to help conserve species.

Interagency consultations between Federal project proponents and the Service, required by Section 7 of the ESA, take time. One of two efficiency measures built in the Strategic Plan targets streamlining consultations with Federal project proponents so that more time is available to focus on recovery planning.
and implementation. Better efficiency can be achieved by encouraging Federal partners to initiate and better prepare for consultations, thereby lessening the time needed for Service review. Efficiencies can also be attained through automation of data entry and retrieval, Web-based access to consultation planning, and customer education. Service staff have already begun to educate and provide techniques to Federal partners so that the Partners can become more self-sufficient in fulfilling Section 7 requirements.

Endangered Species – Use of Cost and Performance Information

- The Service prioritized its FY 2007 operating plan to provide additional consultation funds to support energy development activities by other Federal agencies. Additional funding was provided to the Rocky Mountain Region based on the energy-related consultation workload associated with petroleum development, coal mining, and hydropower. Information about the likely energy-related workload was derived from discussions with the Federal agencies in the region. By taking this approach, instead of allocating the consultation increase by the existing formula, the Service is able to anticipate and better meet this energy-related consultation workload and further contribute to the Department's resource use goal of fostering energy development in an environmentally sound manner.

- In FY 2009, the Service will provide a second year of increased support for a science-based effort to assess and enhance terrestrial and aquatic habitats at a landscape scale in the Green River Basin, Wyoming, while facilitating responsible energy development through local collaboration and partnerships. This effort will focus on candidate conservation effort and interagency consultations needs in the Basin.

- In FY 2006, the Service launched a new national Tracking and Integrated Logging System (TAILS) for Federal Activities, Environmental Contaminants and Section 7 Interagency Consultations. In FY 2008, all Regions are requiring their field offices to report consultation project information into TAILS for FY 2008 performance reporting. This system replaces local, individualized workload tracking systems to allow more consistency and better accountability in reporting accomplishments at the regional and national level for GPRA and other purposes.

2009 Program Performance

The Service anticipates the following accomplishments and activities.

- Provide technical assistance to customers that will result in the approval of HCPs. In FY 2009, more than 51,570,000 acres will be covered by HCPs, benefitting more than 600 listed and non-listed species.

- Continue to work with all our federal customers at the current level of effectiveness to design projects that will not have adverse impacts on listed species, especially consultations associated with energy projects. In FY 2006, the Service received requests for approximately 67,000 consultations, including an estimated 1,800 formal consultations.

- Continue the coordination efforts in the Green River Basin of southwestern Wyoming. A coordinated, long-term, landscape-scale conservation initiative is necessary to properly assess and ensure the long-term health of the Wyoming landscape and in doing so conserve the species that depend on the landscape. This collaboration will facilitate consultations in the Green River Focus Area to facilitate energy and other projects in a manner that is compatible with threatened and endangered species conservation. As a result of this effort and due to the time required for planning and analysis, the Service anticipates improved timeliness in energy consultations in Wyoming in the future.
• Continue working with NRCS and the Association of Fish and Wildlife Agencies on developing standards and guidance for developing credit trading systems according to the April, 2007, MOU on Habitat Credit Trading.

• Continue to develop an internet-based information, planning, and consultation on-line system that can be used to screen out projects that will not affect listed resources, complete the requirements of informal section 7 consultation, expedite formal section 7 consultation, and better integrate section 7 consultation with action agencies’ environmental review processes, including NEPA. The Service is currently developing this system with the assistance of Customs and Border Protection and the Pipeline and Hazardous Materials Safety Administration, however, additional agencies have expressed interest in participating in the system development.

• Finalize the Recovery Credit System guidance. We published draft guidance for public review and comment. Recovery Credit Systems are an innovative new tool designed to help Federal agencies conserve imperiled species on non-Federal lands. Federal agencies will be able to use a recovery crediting system to create a "bank" of credits accrued through beneficial conservation actions undertaken on non-federal lands. A Federal agency can develop and store these conservation credits for use at a later time to offset the impacts of its actions on Federal lands.