

In Our View: Hands Off the BPA

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Columbian editorial writers

The Evergreen State is turning more blue, in a couple of ways. There's this bad case of the fiscal blues inflicted by the Bush administration's proposed budget. As a result, Washington could become even more of a "blue state" than it showed in the 2004 presidential election.

The president wants to change a decades-old revenue agreement between the federal government and the Bonneville Power Administration and raise electricity rates in the region to pay down the massive federal debt. That's such a bad idea, regional politicians of both parties are outraged.

A letter signed by U.S. Reps. Doc Hastings, R-Wash., Greg Walden, R-Ore., and Peter DeFazio, D-Ore., complains: "Under this direction, millions of dollars will be pulled out of our region's economy to pay a federal debt obligation (by BPA) that is already ahead of schedule for repayment." Sen. Ron Wyden, D-Ore., calls the move "government loan-sharking."

A budget spokesman said that changing the use of surplus BPA revenue and no longer allowing it to keep electricity rates low would help the BPA make capital investments to improve service and reliability while making future rate hikes less likely. That, though, would ignore the longtime agreement, and Sen. Maria Cantwell, D-Wash., won't stand for it. She correctly noted that the feds are "trying to undo 70 years of a good, regional energy policy in the Northwest. Do they think that after all the planning we have done on energy costs, we won't miss a billion dollars?"

U.S. Rep. Brian Baird, D-Vancouver, expressed alarm that "Northwest ratepayers will be slapped with what amounts to a \$1 billion tax on our power."

BPA, the federal power agency based in Portland, also sells surplus power to customers beyond the Northwest. But, for the second year in a row, the Bush administration has tried to glom onto that revenue and use it for debt relief. Legislators defeated the attempt last year and should work for the same result this year.

It doesn't matter that such a change would, according to a federal budget statement, "reduce the federal deficit and provide BPA with needed financial flexibility to invest back into energy infrastructure and to pay down debt." What matters is that a valid plan has worked well for seven decades.

Baird says the federal debt ceiling "has been raised three times since 2002 and now stands at over \$8 trillion." He added that Americans this year "will incur a staggering record deficit of \$423 billion, the highest deficit ever." Swooping into the Pacific Northwest and plucking any surplus BPA revenue above \$500 million annually would be a mere drop in the federal bucket, and as the letter from the three Oregon lawmakers points out, "Pacific Northwest families, farms and job-creating businesses can ill-afford another rate increase at this time."

Bush must have forgotten the purpose of the hydroelectric power system: It's to produce energy and sell leftovers to other regions that need it. It's not to compensate for lingering habits of gluttonous federal budgeteers.