

## BPA's Next 75 Years: Strategic Evolution

**[Editor's Note: The following piece by Scott Corwin, executive director of the Public Power Council, is part of a *Clearing Up* series featuring thoughts from regional energy-industry players on the question: "What's Your Vision for BPA?" This series coincides with BPA's 75<sup>th</sup> anniversary and the upcoming change in Bonneville administrators. For more information on this series, contact Executive Editor Mark Ohrenschall: 206-285-4848, x. 204; marko@newsdata.com.]**

This year we recognized the impressive 75-year history of Bonneville Power Administration and of the many publicly owned and cooperative utilities that share this anniversary. Rising together out of the depths of the Great Depression, BPA and public-power utilities worked to bring light, hope and a new quality of life to our region. As with all utilities, BPA will face daunting challenges in an ever-changing energy world. But, its future will be bright if it is allowed to continue to modernize while focusing on the fundamental public-purpose mission entrusted to it by Congress so long ago.

Why the optimism?

First, make no mistake, BPA will change and evolve as a provider of power and transmission in the future. For a large agency, it has a surprising record of creativity and adaptability. Even the current tough questions around reliability, efficiency and variable-resource integration might be addressed more quickly than we expect. Look at the more than tenfold increase in wind integrated into BPA's system in the last seven years, or at the more than 200 miles of new 500-kV transmission lines being built right now, or 100 aMW of energy efficiency added annually, or the rapid plunge into smart-grid leadership, including synchrophasors galore. The future is now at this agency, which has had good support from Congress, a loyal and patient customer base, strong leadership, and a skilled and hard-working staff.

Second, the underlying infrastructure is positioned well to withstand industry trends. Sure, the far future lends a much more fickle and elusive vision than the near-term analysis. And, the past may be very little help in predicting future technology-driven evolutions -- BPA grew over the past three-quarters century from a mere idea into an agency operating more than 15,000 circuit miles of transmission lines and marketing almost 9,000 aMW of generation. Indeed, it would be hard to envision any electrical system anywhere (at least in the Western Hemisphere) growing these days at the rate and magnitude seen by the Federal Columbia River Power System, especially in a future where consumer control and less-centralized systems prevail.

But, while the infrastructure around BPA will not grow greatly in size in the next several decades, neither will it contract. The transmission system will see additions and enhancements as access to capital allows. And, the durability of the hydro projects, coupled with a good strategic plan of maintenance and refurbishment of the machinery (e.g., Grand Coulee upgrades under way), leads one to believe that our clean, renewable baseload resource should benefit citizens for decades to come. And, the associated marketing role should continue to be BPA's core competency.

It is true that, while the structures are here to stay, the water's shape in light of fish operations and international treaty negotiations is a murkier matter. Still, a bullish outlook for federal hydropower is supported by the striking improvement in salmonid passage in recent years, and a maturation of key agency relationships with many tribal leaders. The federal agencies most-recent report showed the lower Columbia River main-stem projects on track to achieve the BiOp performance standards of 96-percent survival per dam for spring migrants and 93 percent for summer migrating fish. With numbers like those, is the unmentionable "D word" (delisting) for some species really out of the question in the next several decades?

Is there any more critical and noble mission for a public resource than the provision of clean, cost-based, affordable and reliable electricity that drives every aspect of modern life, from the home to the server farm to the hospital? Sure we could dream up an endless array of grand new missions for any institution that has the ability to self-fund from a broad revenue base. Yes, we could prognosticate about a lot of very bad policy scenarios for BPA involving market exposure, risky operational changes or deficit-reduction schemes. But in the final analysis, we may find that the path of incremental, strategic evolution has been underrated. As President Franklin Roosevelt said, "It is the duty of our representative bodies to see that this power is transferred into usable electrical energy and distributed at the lowest possible cost."

In seeking candidates to fill the big shoes that Administrator Steve Wright will leave in January, Bonneville's preference customers have asked the U.S. Department of Energy for a proven manager who knows the primary mission of BPA, has a history of leadership and collaboration, and has a commitment to furthering the interests of Northwest electricity consumers. With its evolution guided appropriately from within the region, BPA will survive and thrive because its core public-service mission should prove more than noble enough to last the next 75 years [*Scott Corwin*].