



Northwest Requirements Utilities

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## Oregon and others seek to dismantle regional hydro agreement, potentially harming fish and ratepayers

PORTLAND, Ore. – On July 16, Oregon asked a federal trial court to impose round-the-clock spill from the dams on the Columbia and Snake Rivers, a scientifically unproven step that may ultimately harm endangered fish but also threatens grid reliability, affordable electric rates, and Oregon's and Washington's climate goals. If imposed, Oregon's proposed spill operation will cost public power ratepayers in the Pacific Northwest up to \$100 million per year.

Just months after recommitting to "flex spill" – a negotiated agreement to increase in-river flows to aid salmon while providing flexibility needed to maintain valuable carbon-free energy resources – Oregon has asked the court to dismantle that agreement with the Bonneville Power Administration (BPA) and require maximum spill throughout the year. Oregon is seeking this action amid record heat waves across the Pacific Northwest, despite reduced reservoir levels due to sustained drought, and wildfires that threaten blackouts for an already strained Federal power system. In addition to Oregon, the states of Washington, Idaho and Montana are part of the flex spill agreement with BPA.

"Once again, the State of Oregon has continued down its path of broken promises. The state calls for collaboration, but acts in a unilateral and cavalier manner," said PPC Executive Director Scott Simms. "Flex spill was presented to BPA power customers as a means of ending litigation, a 'compromise' that would exchange greater spill for increased flexibility of a multi-purpose system. With that trade-off now upended by Oregon's actions, the federal agencies that operate the system should revisit the flex spill agreement," continued Simms. "Oregon never gave the flex spill operations a chance, reverting to its advocacy for dam removal rather than pursuing scientifically-based, balanced regional solutions to salmon recovery."

The Federal Columbia River Power System – marketed by BPA to the region's non-profit, consumer-owned utilities – accounts for about 59 percent of all U.S. federal hydro capacity and 29 percent of total U.S. national hydro capacity. It provides about 28 percent of the electric power generated in the Northwest, and its resources – primarily hydroelectric dams – make that power nearly carbon free.

"The State of Oregon wants to step up carbon reduction goals, increase electric vehicle deployment, ensure grid reliability and have a stable economy – yet the state's continued advocacy to breach productive hydro facilities and this legal action against flex spill directly conflict with those other policy objectives," Simms said. "As well, Oregon's legal action

attempts to trigger a tremendous loss of carbon-free renewable hydropower at a time when the region struggles with record-breaking heat waves and forest fires fueled by climate change."

The decision by Oregon to pursue legal action also unilaterally impacts the interests of the other Northwest states who are part of the flex spill agreement, since it was built as a regional collaboration effort that balanced various state goals.

BPA power customers shoulder the costs of spilling water that bypasses generators at the federal dams. The costs of existing fish spills, including the cost of replacement power and reduced power revenues, has averaged over \$300 million per year. BPA power customers made a strong commitment to invest heavily in salmon recovery and fish mitigation measures, paying \$14.9 billion in net fish and wildlife mitigation costs since 1999, the year that Willamette Valley Steelhead were listed under the Endangered Species Act.

"Given the costs associated with fish mitigation, which represent 24 percent of wholesale power costs, public power electric utilities have a direct and compelling interest in ensuring that fish mitigation measures are scientifically sound, effective, and ultimately lead to species recovery. Oregon's proposal for maximum spill throughout the spring and summer is neither. Precious water needed for fall fish migration and other important uses will be wasted," said NRU Chief Executive Officer, John Francisco.

As litigation rages on, it puts into doubt the prospect of any future regional agreements funded by BPA's power customers. PPC urges BPA to revisit the entire structure of existing fish programs, including flex-spill and the Columbia Basin Fish Accords, and to develop a framework that restores need program accountability, transparency, and scientific metrics and review.

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## **About the Public Power Council**

The Public Power Council, established in 1966, is an association that represents over 100 consumer-owned electric utilities in the Pacific Northwest. PPC's mission is to preserve and protect the benefits of the Federal Columbia River Power System for consumer-owned utilities. PPC is a key forum to identify, discuss and build consensus around energy and utility issues. For more information, please visit us on the web at <a href="https://www.ppcpdx.org">www.ppcpdx.org</a>.

## **About Northwest Requirements Utilities**

Northwest Requirements Utilities is a non-profit trade association that represents the interests of 55 BPA Load Following and NT transmission utilities that rely on BPA for all or most of their wholesale power and transmission services. NRU members utilities are located in all seven states served by BPA and typically serve the most rural areas of the northwest. For more information, please visit us on the web at <a href="https://www.nru-nw.com">www.nru-nw.com</a>.