

Public Power Council

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August 6, 2013

CRT Review (DKE) P.O. Box 14428 Portland, OR 97293 Transmitted Electronically: treatyreview@bpa.gov

U.S. Entity, Columbia River Treaty:

Stephen R. Oliver U.S. Entity Coordinator, Columbia River Treaty Bonneville Power Administration

David Ponganis U.S. Entity Coordinator, Columbia River Treaty U.S. Army Corps of Engineers, Northwestern Division

RE: Draft Recommendation – PPC Initial Comments

Dear Sirs,

I am writing on behalf of the Public Power Council (PPC) representing consumer-owned utilities in the Northwest who purchase power and transmission from the Federal Columbia River Power System. As key players helping to create jobs in local communities, our members have a strong interest in the level of BPA's rates, and in the amount, timing, and use of power generated by this system.

This comment will include our initial impression of the Draft Recommendation released on June 27, 2013 ("Draft"). We appreciate that you released a Draft for comment at this time. And, in a subsequent comment, we will provide more detail. However, we thought it important to note up front that this Draft, and the process that created it, is woefully and alarmingly deficient.

First, the Treaty review process needs to change. It appears that after two webinars and a brief comment period, the U.S. Entity intends that additional closed sessions with the Sovereign Review Team be used to help create the next draft in September. That is not an acceptable process, and will <u>not</u> create a regional recommendation. Only full and immediate engagement with the professionals with utility and operational experience, and whose customers pay for the power portions of the Treaty, can help the U.S. Entity create a result that will benefit the citizens and the economy of this region.

Second, in light of the U.S. Entity's studies showing Canada receiving multiples of more power benefit than the U.S., the lack of focus on power issues in the Draft is way off base. The Draft Recommendation lacks a strong demonstration of this inequity. It also lacks any recognition of its possible impact on jobs

and the economy in the Northwest. Moreover, in light of the history and text of the Treaty that clearly focuses on power and flood control, we find the language in those areas to be ambiguous in its objectives and intended outcome and possibly risky to the economy and to public safety in the future where levels of flood risk are implicated. We do appreciate the statement that, if key agreements with Canada cannot be reached by next summer, it may be necessary to start from a "clean slate".

Finally, it is very disappointing that the power and flood control portions in this Draft have been so overwhelmed by ecosystem references. Much of the Draft seems to reflect various interests negotiating between themselves to create new U.S. obligations for ecosystem related matters. This focus is out of proportion to the history and the letter of the Treaty, and does not appear to aid the U.S. position in negotiating with Canada. But, even more frustrating is that the Draft does not recognize the work already being done on ecosystem issues with the existing Treaty in place and under myriad other U.S. laws and processes, including the enormous operational and funding resources put toward fish and wildlife in a BPA-funded program that is the largest of its kind in the world.

We appreciate that this first Draft is just that. We will endeavor to become more thoroughly engaged, and we look forward to working with you more closely in the ensuing months.

Sincerely,

in Them

Scott Corwin Executive Director