



The Trump administration recently proposed to sell off the high voltage transmission systems of several federal power marketing agencies, including the Bonneville Power Administration. *Associated Press / 2010*

IN MY OPINION

Idea to sell BPA is tired and makes no economic sense

Scott Corwin

Buried in the depths of the Trump administration's fiscal year 2018 budget is a proposal to sell off the high voltage transmission systems of federal power marketing agencies, including the Bonneville Power Administration. It is a decades-old idea that would be harmful to Northwest residents and should be stopped dead in its tracks.

Thankfully, reaction to this attempt to raise \$5 billion on the backs of regional electricity ratepayers has been fast and furious from a bipartisan array of House and Senate members from the Northwest. Last week, letters of opposition sent to Energy Secretary Rick Perry included signatures from every member of the House of Representatives from Oregon and Washington and every senator from Oregon, Washington, Idaho and Montana (the primary states housing the BPA transmission system). These leaders know the key economic role that BPA plays in this region. And they know that BPA already pays its own way from rates charged to customers and through interest and principal payments to the U.S. Treasury for any amounts borrowed.

Unlike most federal agencies, BPA is not supported by tax dollars. Instead, BPA operates like a utility, covering all of its costs by charging those who buy its power or move other power across the transmission system. Predating the Department of Energy, BPA was created to serve the public with low-cost, emission-free hydropower from federal dams and it now makes up 75 percent of all transmission in the region. The BPA system increasingly moves other renewable sources such as wind and solar power, balancing an array of challenges to maintain a reliable and safe power supply.

Privatizing these assets would be a tax on customers with no increase in efficiency or reliability. It would work against the administration's objectives by needlessly tying up private capital to send money to the Treasury in the short-term at the expense of the long-term revenue stream already coming from BPA.

Another risk of this proposal to consumers is that as regional control is relinquished to new owners, the remote

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areas of the system may be neglected. This could harm the very rural communities that grew up with — and paid for — much of the 15,000 miles of transmission lines and 300 substations that reach every corner of the Columbia River Basin.

Opposition to this budget proposal should not be read as promoting the status quo for the region's transmission system. The energy sector is among the most dynamic in our economy, and BPA will need to continue to evolve and streamline its operations to stay competitive. Electric utilities are already working to modernize the system as generation and usage patterns bring new challenges. But, transforming a complex and integrated system is best handled in-region, where the expertise lies with the parties who pay for the system, not driven by a federal budget proposal that grabs once again for the hard-earned investments of the people of the Northwest.

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