

PPC and Consumer-owned Power in the Northwest

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The Public Power Council serves a unique role as the forum where consumer-owned electric utilities come together to create consensus on issues impacting the operations and costs of the Federal Columbia River Power System and the Bonneville Power Administration (BPA). Since 1966, PPC has represented the interests of the consumer-owned utility customers of BPA in order to protect public power's legal rights to this resource and promote a cost-effective power supply. PPC brings technical capability to the table with a team of experts in utility law, power systems, economics, and government affairs.

Membership in PPC is open to all "preference" customer electric utilities in the Columbia River Basin. The utilities range in size from 10 to 400,000 customers, and are located in parts of seven western states—Washington, Oregon, Idaho, Montana, Nevada, Utah and Wyoming. These utilities are public or peoples utility districts, municipal, cooperative, or mutual organizations. Collectively, they are often referred to simply as "publics," "public agencies," "public power," and "consumer-owned utilities." They have varying legal structures, but they are all consumer-owned, nonprofit, locally controlled, and provide electricity for their communities reliably, efficiently and *at cost*.

Local Ownership, Local Priorities

Community ownership of electric service means local people working together to meet local needs. In the Northwest, consumer-owned power energizes the most remote rural areas and lights the largest urban centers. It powers large industrial operations, small residential dwellings, and everything in between. The public invests its trust in consumer-owned utilities and they in turn take on an obligation to help advance the values in their community. Among these values today are economic development, energy efficiency, stewardship of the environment, and community service.

Public power plays a major role in the Northwest's decades-long reputation as a national leader in the area of conservation. In their own service territories and in partnership with other organizations and agencies in the region, publicly owned utilities offer aggressive conservation programs and they continue to explore new technologies and build new paths to deliver cost-effective and innovative energy efficiency measures and services.

While hydroelectric power is the backbone of the region's electricity system, many consumer-owned utilities are developing additional clean and renewable resources. They have invested in wind energy and hydropower upgrades, and some have been active in technologies like solar and tidal power.

Public power also makes an enormous investment annually in protecting the region's fish and wildlife resources. BPA, which supplies wholesale power to most publics in the Northwest, spends hundreds of millions of public power customers' dollars every year on its fish and wildlife program.

And, many individual utilities make direct expenditures for fish and wildlife enhancement, clean water, and habitat protection and education.

Community service is fundamental to public power's nonprofit, local-control philosophy. Nearly all regional public utilities offer a range of programs such as helping low income customers to pay their bills and weatherize their homes, and providing educational programs and grants to schools.

Preference and the Federal Hydropower System

As entities owned by the citizens and providing benefit directly to the public, consumer-owned utilities have a legal first right to federal power. They are afforded this priority access to federal power generation and transmission through a legal principle called "public preference." Most members of PPC buy much or all of their power from BPA, whose key mission is to deliver at cost the clean, renewable hydropower that is generated at federal dams to the region's nonprofit, consumer-owned electric utilities.

Preference was first applied to consumer-owned electric systems in the Reclamation Act of 1902, which gave municipalities preferred access to surplus power from federal irrigation projects. Congress granted preference to ensure that the benefits of federal power were passed through to the public at the lowest possible cost, something only consumer-owned utilities could assure. Another reason was to help extend these benefits to the remote areas of the nation served only by consumer-owned utilities. And, preference was a means of preventing private interests from monopolizing and profiting on public resources.

Public preference is emphasized in the 1937 Bonneville Project Act, which authorized completion of Bonneville Dam, creation of BPA, and the construction of federal power lines to transmit the power as widely as practicable. The Bonneville Project Act specifically declares that preference be provided to publicly-owned systems to ensure that hydropower projects are operated for the benefit of the general public, particularly residential and rural customers. These principles are just as relevant today, and the preference rights have been affirmed in subsequent laws impacting the Northwest power system, such as the Regional Power Act passed in 1980 ("Pacific Northwest Electric Power Planning and Conservation Act").

The history and operations of BPA and public power utilities are intertwined. Together this partnership has produced innumerable benefits for the region. While public power desires to continue this partnership, that future is conditioned on BPA remaining a reliable and cost-effective power supplier. In light of declining costs for alternative power supplies and rising costs for BPA (due to several factors including infrastructure investments and fish expenditures), a focused and expansive commitment is needed to ensure *BPA's future competitiveness*. Meeting this goal is important not only for the region's residents and businesses relying on this clean hydropower, but it is also vital for the many regional policy objectives that are dependent on BPA programs and revenues.

PPC Membership 2018

COOPERATIVES

Big Bend Electric Cooperative, *Washington*
Blachly-Lane County Electric Coop., *Oregon*
Central Electric Cooperative, *Oregon*
Clearwater Power Company, *Idaho*
Columbia Basin Electric Coop., *Oregon*
Columbia Rural Electric Assoc., *Washington*
Consumers Power, Inc., *Oregon*
Coos-Curry Electric Cooperative, *Oregon*
Douglas Electric, *Oregon*
Fall River Rural Electric Cooperative, *Idaho*
Flathead Electric Cooperative, *Montana*
Glacier Electric Cooperative, *Montana*
Harney Electric Cooperative, *Oregon*
Hood River Electric Cooperative, *Oregon*
Idaho County Light & Power, *Idaho*
Inland Power & Light Company, *Washington*
Kootenai Electric Cooperative, *Idaho*
Lane Electric, *Oregon*
Lincoln Electric Cooperative, *Montana*
Lost River Electric Cooperative, *Idaho*
Midstate Electric Cooperative, *Oregon*
Missoula Electric Coop, *Montana*
Modern Electric Water Company, *Washington*
Northern Lights, Inc., *Idaho*
Okanogan County Electric Coop, *Washington*
Orcas Power and Light, *Washington*
Oregon Trail Electric Cooperative, *Oregon*
Peninsula Light Company, *Washington*
PNGC Power, *Oregon*
Raft River Rural Electric Cooperative, *Idaho*
Ravalli County Electric Cooperative, *Montana*
Salem Electric, *Oregon*
Umatilla Electric Cooperative, *Oregon*
United Electric Co-op, *Idaho*
Vigilante Electric Cooperative, *Montana*
Wasco Electric Cooperative, *Oregon*
Wells Rural Electric Company, *Nevada*
West Oregon Electric Cooperative, *Oregon*

MUNICIPALS

City of Ashland, *Oregon*
City of Bandon, *Oregon*
City of Bonners Ferry, *Idaho*
Canby Utility, *Oregon*
City of Cascade Locks, *Oregon*
Centralia City Light, *Washington*
Cheney Electric Service, *Washington*
Eugene Water & Electric Board, *Oregon*
City of Forest Grove, *Oregon*
Hermiston Energy Services, *Oregon*
Idaho Falls Power, *Idaho*
McMinnville Water & Light, *Oregon*

Milton-Freewater City Light & Power, *Oregon*
Monmouth Power & Light, *Oregon*
Richland Energy Services, *Washington*
Port of Seattle, *Washington*
Rupert Electric Department, *Idaho*
Seattle City Light, *Washington*
Springfield Utility Board, *Oregon*
City of Sumas, *Washington*
Tacoma Power, *Washington*
Vera Water & Power, *Washington*

PUDs

Asotin County PUD, *Washington*
Benton PUD, *Washington*
Central Lincoln PUD, *Oregon*
Chelan County PUD, *Washington*
Clallam County PUD, *Washington*
Clark Public Utilities, *Washington*
Clatskanie PUD, *Oregon*
Columbia River PUD, *Oregon*
Emerald PUD, *Oregon*
Ferry County PUD, *Washington*
Franklin PUD, *Washington*
Grant County PUD, *Washington*
Grays Harbor PUD, *Washington*
Jefferson PUD, *Washington*
Kittitas PUD, *Washington*
Klickitat PUD, *Washington*
Lewis County PUD, *Washington*
Mason County PUD#1, *Washington*
Mason County PUD #3, *Washington*
Northern Wasco County PUD, *Oregon*
Okanogan County PUD, *Washington*
Pacific County PUD#2, *Washington*
Pend Oreille County PUD, *Washington*
Skamania County PUD, *Washington*
Snohomish County PUD, *Washington*
Tillamook PUD, *Oregon*
Wahkiakum PUD, *Washington*
Whatcom County #1, *Washington*

TRIBAL-OWNED

Yakama Power, *Washington*