

**Testimony of Terry Flores  
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**Before the United States House of Representatives  
Committee on Natural Resources  
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***“The Federal Columbia River Power System:  
The Economic Lifeblood & Way of Life for the Pacific Northwest”***

***Introduction***

Thank you Chairman Lamborn, Members of the Committee and Representative Newhouse for the opportunity to appear before you this morning to talk about the myriad benefits the Northwest’s federal hydrosystem provides to the environment, economy and our quality of life in the Northwest. I am Terry Flores, Executive Director of Northwest RiverPartners, an alliance of public utilities, ports, farmers and businesses joined together in the Pacific Northwest dedicated to the proposition that salmon and dams are and must continue to co-exist – and thrive. RiverPartners member organizations represent more than 4 million electric utility customers, 40,000 farmers, ports with thousands of employees and large and small businesses that provide hundreds of thousands Northwest jobs.

We support salmon restoration policies and actions that are based in sound science to ensure the measures being taken will deliver real benefits to endangered salmon and wildlife and are a good investment of ratepayers’ dollars. Sadly, I am here today to tell you that decisions surrounding operation of the federal hydropower system and endangered salmon that affect every person in the Northwest are currently not being made based in sound science or cost-effectiveness but by a District Court judge in Portland Oregon. And, that anti-dam forces are again trying to make the Snake River dams a scape goat in salmon and orca restoration efforts. I appreciate the opportunity to share some of the facts surrounding these issues with you today.

***The federal hydropower system: myriad and irreplaceable - benefits***

The Northwest is unique – and blessed – with an abundance of clean, carbon free hydroelectricity, nearly 60 percent of it supplied by the federal dams on the Columbia and Snake Rivers. When President Franklin Delano Roosevelt signed the Bonneville Project Act in 1937, eighty one years ago, he spoke of how the massive benefits of the Columbia River hydropower system would benefit the Northwest by providing power at cost to rich and poor alike, turn the desert into an agricultural oasis, and power industrialization. That vision came true and, along the way, the federal hydrosystem helped win World War 2.

The federal hydropower system provides carbon-free, at cost, reliable power valued at more than \$3 billion annually to the Pacific Northwest. The system is made up of 31 dams with a capacity to produce over 22,000 megawatts of energy and in an average year the system generates 8,700 megawatts of clean, reliable energy. The four Snake River dams alone produce 5 percent of the Northwest's total hydro energy, enough to power a city the size of Seattle or the cities of Boise, Tri-Cities and Spokane, every year.

Those calling for removal of these dams would have you believe that amount of power is insignificant, or can be replaced by intermittent wind or solar resources. The truth is this is a lot of carbon free energy that would be replaced largely by natural gas, adding 2- 3 million tons of added carbon to our skies.

The federal hydrosystem does much more than just provide clean energy. The system of federal dams protect rural communities and big cities alike from devastating floods, creates a river highway that links the Northwest to the rest of the nation producing over \$20 billion in economic opportunity and wealth; provides recreational opportunities and irrigation for over 7 million acres of farmland producing \$8 billion in agricultural income. There is no question that the federal hydrosystem is the backbone of the region's carbon free energy supply and the lifeblood of its economy.

### **The Largest Species Restoration Program in the Nation**

All this bounty came at a cost to the region's indigenous people, fish and wildlife resources and the land and water they occupy. As a result, the Northwest is home to the largest fish and wildlife restoration program anywhere in the nation, and likely the world. Over \$16 billion has been spent to mitigate for the impacts of the dams on fish and wildlife since the late 1970's. It is important to point out that the Northwest is unique in this respect too: almost all these costs are borne by Northwest families and businesses through their electric bills – not U.S. taxpayers. Without these costs, BPA's wholesale power rate would be about a third lower.

Investments in salmon restoration include a complete overhaul of the federal dams to make them more fish friendly in the early 2000's, at a cost of nearly \$2 billion. For example, every one of the federal mainstem dams on the Columbia and Snake Rivers have been retrofitted with state of the art downstream fish passage technologies. These "fish slides" and other technologies are helping young fish migrate downstream safely and swiftly with survival levels ranging from 96 percent to nearly 100%. Due to the success of improved passage and dam operations, ***NOAA Fisheries and other scientists have stated that these survival levels are similar to those seen in undammed rivers such as the Fraser River in British Columbia.*** The dams also provide for safe upstream passage for adult salmon which utilize fish ladders installed when the dams were built to access their natal spawning grounds.

The Northwest also is home to one of the largest habitat restoration efforts in the nation. In the last ten years, nearly \$1 billion has been spent by Northwest states and tribes to restore degraded habitat, remove culverts and increase water flows as a result of BPA's Fish Accord agreements. Nearly 1 million acres, the size of Rhode Island, have been protected or restored to provide quality habitat for fish and wildlife (See: [www.critfc.org/blog/2018/08/14/fish-accords-10-year-summary/](http://www.critfc.org/blog/2018/08/14/fish-accords-10-year-summary/)).

Fortunately, the work being done by the states and tribes and paid for by Northwest utility customers are paying dividends. Overall, salmon returns are trending upwards over the last 12 years with some years seeing record returns. While scientists agree that ocean conditions, where salmon spend 3 or 4 years of their lives (as compared to 15-20 days migrating through the hydrosystem) have the most impact on salmon survival, it's clear all the salmon restoration measures being taken are helping too. Unfortunately, these positive results for salmon have not put an end to the ongoing court battles.

### **Focus on Spill is a Case of "Diminished Returns"**

Today, the federal hydrosystem is at great risk driven by over twenty years of Endangered Species Act (ESA) litigation and court rulings which have de-rated the system by over 1,000 megawatts, increased BPA's rates roughly 30 percent in just the last few years, and created huge uncertainty over how the federal hydrosystem will be operated and at what cost to customers, *even next year*. That is because the federal hydrosystem is being run by an Oregon District court judge from the bench, based on spill injunction motions brought by national and local fish advocate and anti-dam groups.

This year, the Oregon District court granted a motion that forced the U.S. Army Corps (Corps) to operate the federal hydro system to the maximum spill levels allowed by law on a 24/7 basis for a six week period this spring. Spill involves raising large gates at the dams which allow water – and young fish – to shoot out and over the spillways. The theory is that spill will hasten juvenile salmon migration downstream to the ocean and result in more returning adults. However, spill adds dissolved gas to the water which can give young fish the "bends", like divers, harming or even killing them.

Spill is like medicine: the right amount can help you, too much can hurt or even kill you. Already, 30 – to 40 percent of the Columbia and Snake rivers are spilled for fish instead of generating clean energy to power our economy and protect our environment.

Here's the rub: there is no proof that more spill will be better for salmon. [NOAA Fisheries Science Center modeling of this year's court ordered experimental spill operations showed there would be little to no impact on salmon survival.](#) The Corps also found it nearly impossible to operate the system at maximum spill, routinely exceeding the state Total Dissolved Gas (TDG) standards designed to protect fish and aquatic species.

The added court-ordered spill cost BPA and its customers \$38.6 million which BPA managed to whittle down to \$10 million this year – by cutting other fish and wildlife projects. And, it added 840,000 metric tons of carbon to our skies, a 1.7% increase in Northwest electricity sector emissions.

It's also important to point out another little known fact about federal hydrosystem spill: the Army Corps has to obtain "waivers" from Oregon and Washington to exceed the state TDG standards that apply to hydro projects. Other hydro projects must be operated to meet a 110% TDG standard; the waivers for the federal projects allows the Corps to go up to 120%. The states set the TDG standard at 110% because it is most protective of salmon and other aquatic species, based on their own review of the science. Years ago, some of the same plaintiffs that are now suing to increase spill, sued to keep TDG standards for hydro project at 110%.

Now, plaintiffs in the litigation, the federal agencies and state of Washington are discussing increasing spill and TDG levels even further. To what end? Added spill puts young salmon in the danger zone, increases BPA and customers' costs, and the benefits to endangered salmon, based on NOAA Science Center analysis, are decimal dust. This is a poor use of public dollars in salmon restoration. It does however keep the focus on the dams and dam removal instead of other measures that can and should be taken: habitat restoration, hatchery and harvest reforms.

### **Snake Dam Removal: Symbolic but No Way to Save Salmon or Orcas**

Anti-dam groups continue to present Snake dam removal as a "silver bullet" that will save the Northwest's endangered salmon and orcas. It is a false premise, but a powerful fundraising tool. There is no science that supports removal of the dams as a means for salmon recovery.

Last fall, Dr. Peter Kareiva co-authored a paper with a UCLA graduate student Valeri Carranza entitled: "Fealty to Symbolism No Way to Save Salmon" (and I submit, by extension, orca whales in Puget Sound). Dr. Kareiva has an impeccable science vita: Fellow of the American Academy of Arts and Sciences and National Academy of Sciences, former Chief Scientist at The Nature Conservancy, current Director of UCLA's Institute of the Environment and Sustainability. He analyzed the Northwest's endangered salmon issues directly as Director of Conservation Biology at NOAA's Northwest Fisheries Science Center from 1999 to 2002.

Here are some key points from his and Ms. Carranza's paper:

- "There is no doubt that dams have caused salmon declines, but the operators of the dams have spent billions of dollars to improve the safety of their dams for salmon, and it is not certain that dams now cause higher mortality than would arise in a free-flowing river."

- “The problem is that a complex species and river management issue had been reduced to a simple symbolic battle—a battle involving a choice between evil dams and the certain loss of an iconic species.”
- “...it has become clear that salmon conservation is being used as a “means to an end” (dam removal) as opposed to an “end” of its own accord.”

The paper also describes how, in 1999, environmental groups supporting Snake dam removal ran a full-page ad in *the New York Times*, stating that if the dams were not promptly removed “wild Snake River spring chinook salmon, once the largest run of its kind in the world, will be extinct by 2017.”

Dr. Karevia and Carranza point out: “As we write this, it is 2017, the dams remain, and spring/summer chinook numbers are much higher than they were when that confident prophecy of extinction was printed.” Yet the drum beat for dam removal continues despite any science indicating it would actually help, and not harm, endangered salmon and other species, and despite the enormous costs, increased carbon emissions, and damage it would cause the economy.

### **BPA’s Future is in Peril**

The uncertainty of ongoing litigation regarding future operations of the federal hydropower system has put the agency at grave risk. In 2017, BPA announced a 5.4 percent increase in its wholesale power rate for fiscal year 2018 and 2019. This follows four sequential rate periods with rate increases averaging nearly 8 percent, meaning BPA’s rates have risen roughly 30 percent in the last few years. Rising fish and wildlife costs have been a key driver in these rate increases. And, this year, BPA issued a \$10 million “surcharge” on customers to pay for the costs of court ordered spill this spring.

Even more concerning is the potential for future rate increases. Customers’ contracts with BPA expire in 2028, however, they will be making decisions on their future power supplies well before that. Should BPA’s rates continue to climb at their current trajectory, they likely will not be cost-competitive with other alternative market supply choices available to customers. And, if that happens, if BPA loses a few large customers or many small customers or some combination, it will not have sufficient customers or revenues to cover its costs including the costs of the fish and wildlife program. This also could jeopardize its ability to make its annual payment to the U.S. Treasury, which also affects the nation’s taxpayers.

That is why RiverPartners thanks you, Chairman Lamborn, and Committee members who supported H.R. 3144, a bipartisan, common sense bill that would have put science first and stopped judicial efforts to run the hydrosystem until a comprehensive environmental review of the system’s impacts on listed fish was completed. I also thank and applaud Congressman

Newhouse, Congresswomen McMorris Rodgers and Jaime Herrera-Beutler, and Congressmen Greg Walden and Kurt Schrader, among others, for their sponsorship and unflagging support of this legislation and other actions to help bring more certainty to the operations of the federal hydropower system and BPA's future financial health and security.

As you recognize, as stewards of this great asset, it is imperative to identify practical and bipartisan solutions to these tough challenges. As stated, there is no silver bullet when it comes to restoring our iconic salmon, orcas or other species and the answer certainly won't be found in a court room. It requires following sound science, fostering collaboration, and providing strong leadership, as you have shown.

It is hard, but it is worth it. Every day millions of people depend on the electricity that hums over BPA's 15,000 miles of transmission lines. New challenges await, from climate change to the energy demands of internet servers, but the agency remains at the very center of the economy and the environment of the Pacific Northwest.

Thank you for holding this hearing today and for the opportunity to testify. I am happy to respond to any questions you may have.