

September 17, 2002

Mr. Steve Wright
Administrator
Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208

Mr. Larry Cassidy
Chairman
Northwest Power Planning
Council
851 S.W. Sixth Avenue
Suite 1100
Portland, Oregon 97204

Dear Steve and Larry,

We write regarding the joint public process announced recently by the Bonneville Power Administration (BPA) and Northwest Power Planning Council to begin developing a “creative and sustainable approach” to marketing the output of the Federal Columbia River Power System (FCRPS) after 2006, when many of BPA’s current power sales contracts will expire. Given the historically contentious nature of regional debate on these issues, BPA’s traditional role as the Northwest’s economic engine and the recent turmoil in Western power markets, we believe that a thoughtful discussion of Bonneville’s future can be both timely and productive. As you rightly point out, BPA customers from all sectors will benefit from greater clarity regarding their post 2006 power supply as they plan for their long-term futures in the Northwest.

We are encouraged by the efforts of a number of BPA customer representatives to come together to begin this discussion. As members of the Northwest Congressional delegation, we value the level of consensus that has thus far been reached, which in the very least demonstrates that agreement on these often thorny issues is in fact possible.

We also believe that these discussions must be expanded to include stakeholders not yet represented. Further, they must be conducted within parameters that ensure an outcome that stands the test of time and scrutiny through the lens of public policy. As we have often been reminded over the past two difficult years, proposed solutions that rely on faulty or unrealistic assumptions about the future--and ignore BPA’s broader public purposes--fail to serve the long-term interests of our region and consumers.

We agree that this dialogue should be framed in terms of the principles and questions laid out in your June 19 letter, and specifically request that proposals discussed during this process be evaluated against four key criteria: (1) compliance with existing law and policy; (2) legal and practical certainty that proposed solutions will remain durable over the course of their term—20 years or otherwise; (3) impact on social benefits provided by BPA--including fish and wildlife, conservation and renewables; and (4) impact on reliability and optimization of the FCRPS.

As your Congressional delegation, we have an obvious and intense interest in the way the Northwest Power Planning and Conservation Act of 1980 is implemented, as well as the continued relevance of the fundamental assumptions and goals underlying this law. We therefore

look forward to frequent updates on this public process, and ask that we are consulted before any final decisions are made. We look forward to working with you as the region develops consensus on how BPA can best fulfill its obligation to assure an adequate, economical, reliable power supply while maintaining rates as low as possible, consistent with sound business principles.

Sincerely,

MARIA CANTWELL
U.S. Senator

GORDON SMITH
U.S. Senator

PETER DEFAZIO
Member of Congress

BRIAN BAIRD
Member of Congress

JIM MCDERMOTT
Member of Congress

ADAM SMITH
Member of Congress