

**WHATCOM COUNTY  
EXECUTIVE'S OFFICE**

County Courthouse  
311 Grand Avenue, Suite #108  
Bellingham, WA 98225-4082



**Pete Kremen**  
County Executive

October 17, 2006

Bonneville Power Administration  
Public Affairs Office – DKC-7  
P.O. Box 14428  
Portland, OR 97293-4428

Re: Regional Dialogue: Service to the Alcoa Intalco Plant

Whatcom County submits these comments on Bonneville Power Administration's proposal concerning the distribution of power from the Federal Columbia River System, and in particular to the Alcoa Intalco Aluminum Plant ("Intalco") after current contracts expire in 2011.

Intalco has been a mainstay of Whatcom County's economy since its construction in the 1960's. From my discussions with Alcoa, I believe that with an adequate supply of fairly-priced BPA power, that plant can continue to operate and provide good-paying jobs in Whatcom County for the indefinite future. The key is BPA power.

Alcoa is an excellent corporate citizen, and has recently demonstrated its desire to operate the Intalco plant by announcing the restart of a potline and the hiring of 170 additional employees. We are pleased with this announcement, and would like to see Intalco operate at even higher employment levels in the future.

Long-term BPA policies need to give Alcoa a fair opportunity to operate its Northwest plants, including Intalco. This means that BPA should treat the Intalco load like other existing industrial loads and sell power to Whatcom County PUD for resale to Intalco at its lowest, cost-based rate (the tier 1 rate under the BPA proposal).

Your policy proposal includes the possibility of offering to sell 560 MW of power to aluminum companies beginning in 2011, and we believe you should do no less. If BPA fails to provide cost-based power to Alcoa, the result could very well be closure of the Intalco plant. That would be a devastating loss to our local economy.

Sincerely,

Pete Kremen  
County Executive