

Steve Wright
c/o David Basaraba
Communication and Liaison - PL-6
Bonneville Power Administration
PO Box 3621
Portland, OR 97208-3621

Dear Administrator Wright,

Thank you for the opportunity to comment on the Bonneville Power Administration's proposed Regional Dialogue.

The Oregon Environmental Council commends BPA for pledging to meet its share of the regional conservation and renewables goals identified in the Northwest Power & Conservation Council's 5th Power Plan. Bonneville is also right about assigning conservation costs and its \$21 million commitment to new renewables spending into Tier 1 rates.

However, we're concerned about the chilling effects of allocating the federal hydropower system, which can be viewed as a form of deregulation, and which could have a significant impact on the region's ability to address global warming, Oregon's ability in particular. The Oregon Strategy for Greenhouse Gas Reductions commits our state to arresting greenhouse gas emissions growth by 2010, achieving a 10 percent reduction below 1990 levels by 2020, and achieving climate stabilization levels of at least 75 percent below 1990 levels by 2050. By taking action to reduce its own greenhouse gas emissions, Oregon will help avoid a series of adverse consequences on our economy, health and environment. According to the Dialogue, from 2011 on, utilities seeking to meet additional power needs would not be required -- as Bonneville is -- to prioritize energy efficiency and renewables. Therefore, the Regional Dialogue agreement must include strong commitments to energy efficiency and renewable energy development by both BPA and its customers.

To ensure that the Regional Dialogue encourages investment in conservation and renewables, BPA should:

- * Secure a specific commitment from each utility that signs a long-term contract for low-cost Tier 1 power to acquire all the cost-effective conservation in its community, as described in the 5th Power Plan.
- * Make specific commitments to helping customer utilities acquire all cost-effective conservation.
- * Make Tier 2 power a conservation-and-renewables only product.

Cost-effective conservation and renewable energy investments will provide Northwest ratepayers with the best combination of the lowest energy bills, the most stable rates, and the cleanest possible environment. BPA is perfectly positioned to make that clean and affordable energy future a reality.

Sincerely,

Sallie Schullinger-Krause
Program Director
Oregon Environmental Council

