



*Founded in 1906
to Explore,
Study, Preserve,
and Enjoy the
Natural Beauty
of the Outdoors*

October 31, 2006

Mr. Steve Wright, Administrator
C/o David Basaraba
Communications and Liaison - PL-6
Bonneville Power Administration
Post Office Box 3621
Portland Oregon 97208-3621

RE: Proposed Regional Dialogue

Dear Administrator Wright:

The Mountaineers with over 10,000 members is one of the oldest and largest outdoor recreation and conservation organizations in the Pacific Northwest. We have long been active in the public debate on all aspects of electrical energy production, transmission and use, because of its impact on the environment, recreational opportunities and the quality of life in the Pacific Northwest. We have reviewed the proposed Regional Dialogue and have the following comments:

The Mountaineers commend 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 correct to assign conservation costs and the \$21 million commitment to new renewables spending into Tier 1 rates.

However, we are concerned about the chilling effects of allocating the federal hydropower system to individual utilities, which can be viewed as a form of deregulation. From the year 2011 on, utilities seeking to meet additional power needs will 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. The proposed allocation scheme means utilities will be paying market prices (instead of lower BPA prices) for power to meet their load growth. That makes energy efficiency gains all the more crucial for Northwest electricity consumers. BPA must build on what the agency correctly sees as a strong incentive to do a great deal of conservation.

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

- o In addition to helping its customer utilities with conservation, BPA should exact a specific commitment from each utility that buys low-cost federal hydropower that they will meet the goal of achieving ALL the available cost-saving energy efficiency in its service territory.
- o 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.

The 1980 federal legislation mandates that the protection of fish and wildlife be given equal consideration with power production. We are very disappointed that the Proposed Regional Dialogue creates a false choice between salmon recovery and renewable energy development.

Headquarters:
(206) 284-6310
300 Third Ave West
Seattle, WA 98119
Fax (206) 284-4977

BPA has a legal obligation to protect salmon and steelhead in the Columbia Basin that are threatened or endangered by the federal hydropower system. BPA must live up to your legal, moral and ethical obligations to provide a framework and guidelines protecting our indigenous fish concomitant with power production. The Mountaineers believe that with foresight and wise planning the region can be assured of adequate power supplies without sacrificing fish-saving operations.

In the Regional Dialogue proposal it is wrong for Bonneville to single out salmon protection as the factor limiting its ability to accommodate wind power development. In fact, many obligations constrain the hydropower system -- including irrigation, barging and recreation.

Our region needs both salmon recovery and renewable energy development to create an ecologically and economically vibrant future for the Northwest. Renewable energy will allow us to meet the region's growing power needs cleanly and cost-effectively, while healthy rivers with abundant wild salmon will enhance and restore the multi-billion dollar sport fishing and commercial fishing industries. These industries are essential to many tribal and rural economies.

Wild salmon carry immense cultural significance; they are intrinsic to many tribal traditions and constitute an icon of the unique character of the Pacific Northwest.

BPA claims this proposal will add more certainty to salmon recovery efforts, yet nothing in the plan explains what these efforts will be. With no plan put forward, less certainty, not more is the likely result.

The Mountaineers encourage BPA to advocate for real salmon recovery measures, including the one measure scientists say will truly recover these fish, removing the four lower Snake River dams and replacing the small amount of power they produce with cost-effective clean energy. Doing so will spare Northwest ratepayers and American taxpayers the pain of spending millions of dollars each year on ineffective salmon recovery measures such as barging and trucking of smolts.

Thank you for this opportunity to make these comments.

Sincerely,

A handwritten signature in black ink that reads "William E Deters". The signature is written in a cursive, slightly slanted style.

Bill Deters,
President
THE MOUNTAINEERS

cc: NWEC