



FEDERAL ENERGY REGULATORY COMMISSION

February 19, 2009
Docket No. P-2145
Item No. H-2

Commissioner Suedeen G. Kelly

Talking Points of Commissioner Suedeen G. Kelly on Rocky Reach Hydroelectric

- Back in 1934, when the Army Corps of Engineers first recognized the Rocky Reach site for its hydroelectric potential, I wonder if anyone envisioned the enormous undertaking that brought this project to fruition.
- Chelan County PUD started project construction in 1956, which involved moving 3.3 million cubic yards of dirt and rock, and, at peak construction, employing nearly 2200 workers. The dam was built downstream from the town of Entiat, and because of the rising waters behind the new dam, the town had to be relocated, as well as highways and a rail line.
- The original project, which cost \$273.1 million, was financed through the sale of revenue bonds, which was Chelan County's pledge of future revenues generated by the project to repay the debt.
- I'd say over the years, repayment of the debt was made, and then some. This project, which will provide power to more than 7 million customers in the Pacific Northwest, confers benefits not just to those customers, but to a number of stakeholders. Thanks to staff and the settling parties, there will be new and continued protections for fish and wildlife, water quality, cultural resources, and recreational facilities.
- There is no doubt that the settling parties' efforts resulted in a more efficient, less costly relicensing process, and, when all is said and done, a project that provides power with benefits to stakeholders, and protections for environmental resources. These are the very reasons we have long-favored settlements. I thank staff and the settling parties for their hard work, and am pleased to vote out this order.