

R004-0115  
SEP 24 2004

September 22, 2004

Mr. Stephen J. Wright, Administrator  
Bonneville Power Administration  
P.O. Box 3621  
Portland, OR 97208-3621

Subject: Proposed Policy for Power Supply Role for FY 2007-11

Dear Steve:

Seattle City Light is pleased to support BPA's proposed power supply role policy. The purpose of this letter is to provide more detailed written comments, which I said I would send when I testified in support of the proposal at the hearing in Seattle on August 17.

#### Long-Term Issues

Seattle welcomes BPA's support of the Joint Customer approach for post-2011 contracts. The idea of allocating the federal hydro and nuclear output to BPA's regional public preference customers is a good one and is consistent as well with the recent GAO report and the recommendations of the Northwest Power and Conservation Council. The key feature of this approach is that those utilities willing to take responsibility for meeting any future energy needs beyond their allocation do not have to pay any part of the cost for those who want to continue to have BPA meet all their needs. To take on such responsibility those utilities will need the highest possible certainty that they will not have to pay augmentation costs for others in future rate decisions. Seattle looks forward to negotiating such contracts with BPA for post-2011 (or as early as 2009 for any customers who want to start sooner). Any future contracts must include a timely, credible dispute resolution process.

#### Tiered Rates

Seattle agrees that tiered rates are not needed in the meantime. In fact, the long-term approach requires more certainty than can be achieved with decisions re-visited every rate period. For 2007-11, most of your customer utilities committed to an amount of BPA power on the promise of "lowest cost-based power rates." The proposed policy supports that; tiered rates would not. Beyond 2011, any utilities that contract with BPA for more power than their allocation should pay the entire additional cost, but that should not take the form of a two-tiered structure

### Conservation and Renewables

Seattle has had an excellent experience with both of BPA's major conservation programs: the Conservation and Renewable Discount and the Conservation Augmentation Program. These programs have been successful for the region, for BPA, for Seattle, other utilities, and for the environment. We would like to see both programs continue at the 2002-06 funding levels. The discount program establishes a minimum level of effort for the region. The Conservation Augmentation Program provides a mechanism for BPA to purchase additional conservation savings to reduce the generated power it would have to purchase.

There is a golden opportunity for BPA to meet all of its augmentation needs during 2007-11 with conservation and renewable energy just by continuing BPA's current commendable levels of effort. This would be consistent with the sections of the proposed policy sections dealing with load/resource balance, conservation and renewable resources. It would be strong follow through on the Northwest Power and Conservation Council's upcoming Plan, which establishes the amount of cost-effective conservation BPA and the region should be able to achieve.

Lastly, Seattle also appreciates BPA's commitments in the draft to continuing its good work over the last couple of years on controlling costs and consulting stakeholders. We applaud the new BPA Strategic Vision for elevating fish and wildlife restoration to "mission-critical status" along with low-cost power and reliable transmission. Your goals for cost control and accountability will help build trust among BPA and its customers and constituencies. I look forward to working with you on this.

Sincerely,

Jorge Carrasco, Superintendent

cc: Helen Goodwin, BPA  
Stuart Clarke, BPA

R004-0116  
SEP 24 2004**Kuehn, Ginny**

**From:** liz and bob [lizbobfrenkel@proaxis.com]  
**Sent:** Wednesday, September 22, 2004 4:22 PM  
**To:** BPA Public Involvement  
**Cc:** Edwina Allen; Paul Shively; Chase Davis; Fred Heutte; Bill Arthur (h); Kathleen Casey  
**Subject:** NWRCC Comments re Regional Dialogue  
**Importance:** High

September 22, 2004

Bonneville Power Administration

P.O. Box 14428

Portland, Oregon 97293-4428

Submitted electronically to: [comment@bpa.gov](mailto:comment@bpa.gov)

Sierra Club Comments on the Regional Dialogue Policy Proposal for Power Supply Role for Fiscal Years 2007-2011

Dear Bonneville Power Administration (BPA):

1. NWRCC supports BPA acquiring energy conservation, renewable sources of power, and increasing energy efficiency.

While the \$21 million the agency proposes for investment in renewables is significant, it is still not enough. History in our region has shown time and again that, especially since 1980 that utilities have not invested in renewables on their own. Many utilities swore they would invest in conservation and renewables, but when BPA substantially cut funding for these programs in the period of 1993-2000, the investments by utilities were nowhere to be found. BPA commitment to acquiring a share of the regional cost-effective conservation as identified by the Northwest Power and Conservation Council (NPCC) in its Fifth Power and Conservation Plan should include a commitment to BPA's share.

2. BPA needs to serve as "anchor tenant."

The transfer of load growth responsibilities to the agencies customers involves additional risk to the supplies available in the region without establishing an adequacy standard.

3. BPA's obligations to salmon and steelhead recovery.

The agency has a legal commitment to build reserve capacity through renewables, conservation, and efficiency programs and to ensure that fish are not the recipients of further damage when emergency power declarations

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are made. The agency should adequately plan in advance so that it is in a position to handle such emergencies. Planning should include giving BPA the flexibility it needs to operate the FCRPS without short changing either fish or low income weatherization programs.

The Northwest Regional Conservation Committee of the Sierra Club strongly encourages BPA to keep a steady course for the long run when implementing this proposal. We applaud BPA's historic and longer term perspectives and policy directions.

We appreciate the opportunity to provide our comments on the Regional Dialogue proposal.

Liz Frenkel, Energy Coordinator

Northwest Regional Conservation Committee

Sierra Club

1431 NW Vista Place

Corvallis, OR 97330

Liz Frenkel  
1431 NW Vista Pl., Corvallis, OR 97330  
[lizbobfrenkel@proaxis.com](mailto:lizbobfrenkel@proaxis.com)  
Phone/Fax (541) 754-6790  
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*RD04-0117*  
SEP 24 2004

**Kuehn, Ginny**

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**From:** AnonymousComment@somewhere.com  
**Sent:** Wednesday, September 22, 2004 4:00 PM  
**To:** BPA Public Involvement  
**Subject:** Comment on BPA's Regional Dialogue Policy Proposal for FY 2007-2011

**Comment on BPA's Regional Dialogue Policy Proposal for FY 2007-2011**  
View open comment periods on <http://webit2/corporate/kc/home/comment.cfm>

Joe Ebbeson

No E-mail Address Submitted

50 Arthur Blvd,  
Yakima WA 98901

I would like to thank Bonneville Power Administration for the bold, positive steps it has taken in its Regional Dialogue proposal, such as pledging \$21 million a year to assist renewable power development and committing to acquiring its share of the 2,800 megawatts of cost-effective energy efficiency available in the region. However, to make this proposal truly beneficial to the Northwest economy, to working families, all consumers and the environment, BPA must: - Specify how it will work with customer utilities to meet region-wide efficiency goals. - Acquire targeted renewables to provide the certainty private developers need to proceed with new projects and ensure small utilities access to new renewable resources. - Significantly increase the funding of its low-income weatherization program. - Ensure adequate power supplies and reserves to prevent a future energy crisis. For a more thorough analysis of the proposal, I urge you to read the comments submitted by NW Energy Coalition staff. I appreciate and look forward to BPA's continued positive role in facilitating and developing renewable energy, acquiring energy efficiency and providing low-income services. Sincerely,

9/24/2004

R004-0118  
SEP 24 2004

**Kuehn, Ginny**

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**From:** AnonymousComment@somewhere.com  
**Sent:** Wednesday, September 22, 2004 4:25 PM  
**To:** BPA Public Involvement  
**Subject:** Comment on BPA's Regional Dialogue Policy Proposal for FY 2007-2011

Comment on **BPA's Regional Dialogue Policy Proposal for FY 2007-2011**  
View open comment periods on <http://webit2/corporate/kc/home/comment.cfm>

Teri Manley-Cozzie

No E-mail Address Submitted

3410 NE 80th St  
Seattle WA 98115

I would like to thank Bonneville Power Administration for the bold, positive steps it has taken in its Regional Dialogue proposal, such as pledging \$21 million a year to assist renewable power development and committing to acquiring its share of the 2,800 megawatts of cost-effective energy efficiency available in the region. However, to make this proposal truly beneficial to the Northwest economy, to working families, all consumers and the environment, BPA must: - Specify how it will work with customer utilities to meet region-wide efficiency goals. - Acquire targeted renewables to provide the certainty private developers need to proceed with new projects and ensure small utilities access to new renewable resources. - Significantly increase the funding of its low-income weatherization program. - Ensure adequate power supplies and reserves to prevent a future energy crisis. For a more thorough analysis of the proposal, I urge you to read the comments submitted by NW Energy Coalition staff. I appreciate and look forward to BPA's continued positive role in facilitating and developing renewable energy, acquiring energy efficiency and providing low-income services. Sincerely, Teri Manley-Cozzie

9/24/2004

RDay-0119  
SEP 24 2004

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My name is Dave Townsend and I am a Garage Mechanic at the Columbia Falls Aluminum plant. I have worked at CFAC for 25 years – and I would like to work there for years to come. And that is why I am here tonight. CFAC management has stated that an amount of cost-based power adequate to run the plant at about 50% of capacity is what is needed to make it possible to maintain and even restore some of the valley's best jobs. I urge BPA to offer CFAC a contract for post- 2006 that provides enough power to run the plant at about 50%. CFAC has been a customer of BPA since 1955 and it would be unfair to cut them off. Thank you.

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My name is KEITH HAVERFIELD and I am here tonight to speak in support for the Columbia Falls aluminum plant. I work at the plant and I know that we have some of the best paying jobs around – but we used to have a lot more. We want to keep the jobs we have now and get back all of the lost jobs that we can. Some of our guys are second and third generation employees of the aluminum plant. In my opinion, CFAC needs cost-based power to run about one-half of their full plant load. I support the comments provided by Terry Smith and Steve Knight and urge BPA to offer the DSI companies another power contract with enough power made available to CFAC so that it has a better shot at surviving through the tough times.



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My name is Brian Doyle and I am employed as a  
Tapper at the CFAC aluminum plant. I am one  
of the lucky ones since I am still working. The CFAC jobs are  
important to our families and the local communities.

Unfortunately I know too many people who are laid off from  
CFAC and not able to find another job that pays as well as the  
CFAC jobs. A town like Columbia Falls needs big employers  
like CFAC. I strongly support the comments provided by  
Terry Smith ~~earlier this evening~~ and I urge BPA to provide  
power to the DSIs after the current contracts expire. Thanks.

**Renewable  
Northwest  
Project**

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*Members*

American Wind  
Energy Association

Calpine Corporation

Center for  
Energy Efficiency and  
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Citizens' Utility Board

FPL Energy, Inc.

Geothermal  
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Environmental Advocates

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Oregon State  
Public Interest  
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Portland Energy  
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Research Group

Zilkha Renewable Energy

K004-0122  
SEP 24 2004



Renewable Northwest Project

**Comments of the Renewable Northwest Project  
On the Bonneville Power Administration's  
Regional Dialogue Proposal  
September 9, 2004**

The Renewable Northwest Project (RNP) appreciates the opportunity to comment on the Bonneville Power Administration's July 7, 2004 Regional Dialogue proposal. RNP is a regional, non-profit organization that promotes solar, wind and geothermal resources in the four states of the Northwest. Our members include consumer and environmental organizations as well as energy companies (developers, manufacturers, marketers). In these comments, we will outline the critical role BPA must play on both power and transmission to ensure that the promise of renewable resources can be fully realized for the region's benefit.

RNP has worked productively with BPA over the past decade on a variety of policies, projects, products, and programs to help the agency respond to their statutory responsibility to encourage the development of renewable resources. Indeed, we are pleased that BPA notes this responsibility in their July 7, 2004 comments.

Since the Regional Review in 1996, BPA has worked with utilities, an aluminum company, developers and advocates on a variety of actions relative to a broad range of renewable resources. In addition, BPA has acquired over 180 MW of wind generation and has supported several solar projects in partnership with others. They are working to develop a geothermal project, extend long-term wind monitoring, and they have developed a robust green marketing program (which many BPA customers have used for their general portfolios and to supply retail green power programs). BPA has also helped eliminate irrational transmission policies, and has developed services to integrate renewables into the electricity system. All of these activities have helped BPA identify barriers to renewables, and solutions to those barriers. These solutions would not have been reached without BPA's active participation in the market.

Through their renewable energy activities and acquisitions, BPA has helped support the Northwest economy. The renewable energy projects alone have generated several million dollars of property tax revenue for rural counties in Oregon, Washington and Wyoming. The related family wage construction and operation jobs have helped the struggling economy in the region. The lease

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payments to farmers and ranchers for wind projects have helped them stay in the farming business. (A case study of the economic benefits resulting from the Klondike wind project will be released by RNP shortly.) The resulting renewable resources will add to the existing renewable energy base for the region and will help stabilize rates over the long term. Because renewables have no fuel cost, they will reduce the risk of price volatility. The rate stability benefits of both conservation and renewables will help guard against the consequences of future market swings.

Since 1996, BPA has conducted all of these renewable resource activities within a very tiny budget (\$15 million per year in above-market costs), plus a \$6 million per year commitment from the Conservation and Renewable Discount program. The current BPA program has created capability and experience in the region on renewables—something called for in the Council's 1991 "Confirmation Agenda." It has delivered excellent services, projects, and economic benefits for the region while staying within its budget. It is a bright example of a well-run program at BPA. Programs such as these, especially those that deliver on the statutory responsibility of the agency, should be rewarded, not punished for their success.

The considerable price sensitivity in the region due to the 2000-01 energy crisis could have tempted BPA to simply eliminate its renewable program altogether. We are grateful to BPA for seeing the long-term benefit of this program and including it in this proposal. The BPA proposal contains useful language on a facilitation role for the agency, but it stops short of outlining a program that will really result in the region moving forward with a robust renewable energy program. If utilities in the region want the advocates' support for largely eliminating BPA's acquisition role, then BPA will have to develop a comprehensive program for conservation and renewables that meets regional goals. It need not be an expensive program, but it must focus the agency's attention on barriers and solutions.

The July proposal from BPA appears to punish the renewable program for its success. First, it closes the door on almost any kind of acquisition thereby cutting BPA out of the very market which has provided it valuable experience and capability-building over the past rate period. Utilities wishing to purchase small amounts of renewables to diversify their portfolios or serve their retail green marketing programs may have no way to obtain those megawatts.

Second, by limiting BPA's funding to whatever is left of the current \$15 million (agreed to in 1996 and almost completely committed) until 2011, the proposal ties BPA's hands. To be a facilitator, as BPA recommends, requires some amount of budget to perform facilitation functions. This proposal leaves almost none. In addition, the modest financial resources made available for renewables are constrained in ways different from any other initiative. Being careful to ensure an investment is prudent is always warranted. The additional qualifiers here beg the question of intent.

The BPA proposal *does* support continuing the \$6 million made available to customer utilities through a C&RD-type program. Many customers have used their current C&RD for renewables so far, and we applaud their actions. In comparison, just two utilities in the region, PGE and PacifiCorp, provide approximately \$12 million per year to renewable resources through

their System Benefit Charge. (\$12 million is 17% of the overall 3% SBC.) BPA would be serving approximately 45% of the customers in the region with its program of \$6 million.

### **Recommended Actions for BPA on Renewable Resources**

RNP is aware of the customers' interest in restricting BPA's acquisition of power. We believe, however, that there is a reasonable role for BPA in renewable resources, which includes a broad menu of actions, including some acquisition. We believe it can be executed in a manner that is low-risk, and high value for the region, and consistent with BPA's statutory responsibilities. BPA's role over the next several years should be flexible enough to deal with changing market circumstances and therefore not overly prescriptive. Actions on renewables should be undertaken by both PBL and TBL.

### **Leadership**

BPA Administrator Steve Wright should be the leader in the region on the development of new renewables, and he should communicate a goal and actions to the energy community and to the region at large. Establishment of a regional megawatt goal would address a key purpose in the Act and signal Bonneville's unique role in facilitating the achievement of that goal for the region's utilities and customers.

Administrator Wright should convene a group of public and private utilities plus stakeholders in the region who have demonstrated positive actions on renewable resources to help shape this agenda. This group should have a discreet amount of time to assemble an initial set of productive actions, and those actions should be reviewed and revised as market situations change over time. Those in the market today can identify operational and transmission barriers that must still be overcome to realize their own targets for renewable energy. Using the Council's analysis of cost-effective renewable energy potential in the region, and innovative ideas from utilities and others in the market, BPA could fill-in the menu of actions on the Power and Transmission business lines needed for short, mid-term, and long-term achievements. Identifying the necessary actions to be taken will help build a rational budget for this purpose.

To ensure effective implementation of the action items, the Administrator should designate a "green team" for the PBL and the TBL so that parties will know who the "go to" people are. The leader of the team for each business line should have decision-making capability.

### **Everybody needs to play**

Our experience has been that when a utility participates in a renewable resources project, they learn about the technology and its operation is demystified. BPA should include in its goal that all of the region's utilities should participate in its renewable energy program in a way that fits their circumstances. Small utilities may want to purchase the EPP product or use a C&RD-type program. Other small utilities may want to band together as the Last Mile Electric Coop has done and make use of BPA's products and services, or they may need BPA to be an initial anchor tenant. Still others who have taken steps to acquire renewable resources will need help on transmission services and policies, or just plain access, in order to follow through with their plans. Every few months a new situation evolves in which a new need is identified. BPA should be nimble enough to respond to changing circumstances, and have the necessary creativity and

resources to address the problem. BPA must also not compromise the flexibility of the hydro system such that reasonable solutions to common problems cannot be found.

### **Transmission, transmission, transmission**

A critical role for BPA TBL is to acknowledge the unique characteristics of renewables as they define transmission tariffs and products, and as they plan for system expansion. Many of the region's utilities are reviewing quality renewable projects that are in need of transmission solutions to be realized. Because renewable resources are often remote from the load, transmission is critical to renewable development. No one is asking for preferential treatment. What is necessary is understanding renewable resource needs and accommodating them in the system. Following are some specific suggestions for short-term, medium-term and long-term solutions:

#### **Conditional-firm transmission product and non-wires solutions**

BPA can offer a new, conditional-firm product as a short-term solution to transmission constraints. This product would offer transmission service with a limited curtailment risk for months that the TBL is not able to offer firm service. This innovative product would make more efficient use of the transmission system over constrained paths, and allow new generators to get their power to utilities. An added benefit is bringing more revenue to BPA over an existing transmission line. BPA should dedicate staff necessary to make this service a reality in the 2006-2007 Transmission rate case.

#### **McNary – John Day Upgrade Open Season Process**

We are pleased that TBL is working to secure commitments to fund the construction of the McNary-John Day 500 kV line. This transmission line is critically needed to enable further development of wind resources located east of the McNary dam as well as other generation projects proposed for that area. We do not feel that the TBL's current criteria for participation in the Open Season offers transmission customers flexibility or the full value of their investment. Our concerns were expressed in a joint letter submitted to the TBL on August 6, 2004. The region needs a functional model for building new transmission lines that cannot be justified by reliability alone. BPA should focus on establishing reasonable criteria for this line that will enable a rational process to proceed.

#### **Rational queue clearing process**

The length of the TBL "queue" for transmission requests is a hindrance to new resource development. Due to the constrained nature of BPA transmission, the process of addressing each request can be very time consuming. Many renewable resource projects are so far down in the queue that it will likely take a year or more before TBL can even address their requests. The lack of clarity regarding transmission capacity available to serve individual requests makes it challenging for renewable generators to participate in utility RFPs. Improving the efficiency of TBL's queue management procedures is of great importance if we are to maintain utilities motivated to procure renewables and keep a competitive renewable market in the region.

**Grid West**

We believe that there are significant benefits to having an independent entity manage the region's transmission assets and coordinate plans for new investment. The implementation of a regionally-accountable, independent system operator will deliver transparency, improve reliability, eliminate rate pancaking, enable an ancillary services market and, in ultimately, a more liquid and efficient transmission market, while honoring existing transmission rights. The result will be more efficient dispatch and siting of generation, and the use of demand-side technologies. It will also bring about regional planning that will result in new transmission construction --when truly needed. BPA should stay engaged in the regional dialogue on this process to help produce a workable, Northwest-tailored result.

**Conclusion**

BPA's July comments on the Regional Dialogue appropriately talk about their statutory responsibility to encourage renewables, and they identify some good ideas for facilitating renewable development in the region. However, if BPA is to seriously participate in the region's renewable resource market, they have to identify this issue as a priority and establish a goal, dedicate staff to accomplishing the activities, and provide enough of a budget to do the job properly. The agency's tasks should include a broad menu of actions that can be changed over time as circumstances warrant. For the short-term, PBL should play an active and creative role in facilitating purchases of renewables by other utilities, partnering with utilities to help them achieve economies of scale for renewable projects, continuing to acquire some renewables to support its green tags marketing and the sale of renewables to small utilities and government customers. These efforts will assist BPA in refining its expertise on these resources, and in identifying the need for, and developing useful products and services for the market. A critical role for BPA TBL is to acknowledge the unique characteristics of renewables as they define transmission tariffs and products, and as they plan for system expansion.

Thanks you.

R. Day - 0123  
SEP 24 2004

Public Comment on BPA's Draft Regional Energy Plan  
September 9, 2004  
Portland, Oregon

Good Evening,

My name is Jim Abrahamson. I am employed by the Community Action Directors of Oregon and hold the position of Oregon Energy Partnership Coordinator. The Community Action Directors of Oregon is a statewide organization comprised of the Directors of Oregon's 17 Community Action Agencies, the Oregon Human Development Corporation, and 10 associate member agencies whose purpose is to provide direct services to, and promote the self-sufficiency of, low-income people. Taken together, CADO agencies and partners provide low income energy assistance and weatherization services to the customers of nearly every electric and gas utility in the state of Oregon.

I am here to provide comments on the areas of BPA's Regional Dialogue that impact the areas of:

- Renewable energy resources
- Achievement of region-wide energy efficiency goals
- Continuation of low income weatherization activities, and
- Development of adequate region-wide power supplies and reserves that prevent future energy crises while avoiding additional harm to fish and wildlife.

BPA is to be commended for pledging \$21 million a year to help develop renewable energy resources. BPA's strengths as a regional power supply developer with significant transmission infrastructure make it a natural leader in the development of clean and sustainable energy resources throughout the region. To be truly effective in ensuring an adequate supply of energy at affordable rates it is imperative that BPA also set and enforce real renewable resource targets.

BPA is also to be commended for endorsing and supporting the regional energy efficiency targets. However, I strongly encourage BPA to be more specific about its exact commitment to acquire "its share" of new regional energy efficiency resources. By that I mean how many efficiency resources, at what price, and by what date? I also encourage BPA to act as the region's backstop and acquire additional energy efficiency resources should other regional utilities fall short in acquiring their planned proportion of the total.

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JUST IN OREGON  
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BPA's continued commitment to low income weatherization programs is especially noteworthy. I cannot stress enough the importance of continuing this funding. A 2001 report by Quantec regarding the implementation of SB 1149 indicates that between 70 to 75 thousand low-income homes remain to be weatherized in the areas served by public utility agencies. In the face of this substantial need, the continued funding of these vital programs is essential. I urge BPA to develop and incorporate a specific low-income funding level that would assist the agencies that provide these services to effectively plan and budget their activities and partnerships with local utilities.

Finally, with regard to new resource development I fall back to my experience in the area of regional energy planning and utility-level integrated resource planning. Turning the responsibility for new resource development over to the region's utility's could produce cost benefits to BPA and the region -- but important safeguards must be put in place to ensure the achievement of critical regional goals. BPA must set, and enforce, real targets for the development of renewable resources and energy efficiency investments. Further, BPA (in close coordination with the Northwest Power and Conservation Council) should closely monitor the development of new regional resources to ensure the development of a balanced portfolio of supply and demand resources that ensures both the adequacy of energy supply at affordable rates and the safety and protection of endangered fish and wildlife.

Thank you for allowing me this opportunity to comment on the BPA Regional Dialogue.



R004-0124  
SEP 24 2004

*BPA Public Hearing on its  
Regional Dialogue Proposal for BPA's Future Power Supply Role  
September 9, 2004 Portland Oregon*

**Comments of Wayne Hill  
Chair of the Oregon Interfaith Global Warming Campaign,  
A Project of the Ecumenical Ministries of Oregon  
Interfaith Network for Earth Concerns**

Good evening. My name is Wayne Hill. I am the chair of the steering committee of the Oregon Interfaith Global Warming Campaign. This campaign is coordinated by the Ecumenical Ministries of Oregon's Interfaith Network for Concerns, in collaboration with the Northwest Jewish Environmental Project. I am now retired, but for 39 years I served as a Methodist minister, most recently with the Oregon City United Methodist Church.

The current incarnation of the Ecumenical Ministries of Oregon was formed in 1973, but our history goes back to the Home Missions Council more than 80 years ago. Bonneville Power Administration was established in 1937, so your agency has been a part of the Northwest for almost as long as we have. And yet, to the best of my knowledge, this is the first time that a representative of an Ecumenical Ministries of Oregon program has ever participated in a BPA hearing.

Since it's about time we got to know each other, I want to take a minute or two to tell you about the Ecumenical Ministries of Oregon. I will focus on our recent activities in the energy and environmental areas that have convinced us that it was finally time to contribute our thoughts to this important regional discussion.

The Ecumenical Ministries of Oregon (EMO) is an association of 17 Christian denominations including Protestant, Catholic and Orthodox bodies across the state of Oregon. We work with congregations, ecumenical and interfaith organizations, and other people of faith in the collective task of building a just and compassionate world for all people. Part of our mission is to challenge and encourage men and women of God to be effective stewards of the natural resources entrusted to their care. In 1992, EMO established the Interfaith

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Network for Earth Concerns. Over 130 congregations from throughout the state participate in INEC programs. They include earth stewardship, theological education and dialogue, public policy advocacy, and concrete steps to support the greening of our congregations.

One of INEC's priority efforts is the Oregon Interfaith Global Warming Campaign. Many of us in the faith community view global warming as the overarching threat to Creation in our time, and our particular program is one of 21 similar state campaigns offered throughout the country.

- We educate people of faith about the implications of global warming. For example, we have held over a dozen conferences and workshops across the state and coordinated four sign-on letters directed to members of our congressional delegation. Many more workshops are in the works.
- And we encourage our congregations to practice what they preach in their role as consumers by investing in energy efficiency, purchasing power from clean and renewable energy sources, and following other green practices that reduce their "environmental footprint." Our Oregon Interfaith Power and Light offers educational and consulting services on energy efficiency and clean energy for congregations that complement and enhance those services offered by the Energy Trust of Oregon and the local utilities. Already, 75 Oregon congregations have taken specific steps to slow their contributions to global warming, and we expect many more to follow their lead.

As our congregations become more educated and active in making decisions about their energy future, we have also become increasingly aware of the many important decisions that are being made outside of our local communities and utilities. We have begun to appreciate the critical roles being performed by BPA, the Northwest Power and Conservation Council, the Northwest Congressional delegation, and other elected officials. As a result, INEC recently decided to join and contribute our perspective to the

Northwest Energy Coalition and participate in regional discussions such as this.

So what is our guidance to Bonneville as you prepare to make these important decisions about your future role in power supply?

First of all, we have been around long enough to know that a healthy Bonneville is vital to our regional economy. BPA must adopt sound business principles. It needs to maintain adequate financial reserves to ensure that it can meet its annual Treasury payment obligations, and it must do all that it can to avoid the disastrous financial situation it faced in 2001. We are pleased that BPA has taken a hard look at its recent practices through its two "lessons learned" studies and that your agency has decided to place a high priority on improving its capacity to plan for and manage risk.

Second, while BPA needs to follow sound business practices, it must never forget that it is more than "just another utility." Congress has entrusted Bonneville with the awesome responsibility of being a public steward of the Federal Columbia River Power System. This means that Bonneville must meet moral and ethical responsibilities to its customers and other Northwest stakeholders, to the American taxpayers as a whole, to a healthy Columbia River now and in the future, and to the salmon who used the Columbia River and its tributaries as their habitat long before any of us came up with other plans to reengineer the river. It also means that BPA has a special obligation to the Columbia Basin tribes with whom BPA and its partner federal agencies have a most vital federal trust responsibility and government-to-government relationship.

Congress and the tribal treaties have set a very high standard for Bonneville to meet in fulfilling its public responsibilities. The best way for BPA and the entire Northwest to thwart the disturbing efforts of groups like the Northeast-Midwest Coalition to force your agency to charge its customers much higher market-based rates is for BPA to provide convincing evidence that it is not just a federal power marketing administration dinosaur that has outlived its mission. Surely, providing the region with low-cost power is a central component of BPA's mission. However, we know that BPA can and does provide more than just low-cost power. We continually need to

document and demonstrate this to the rest of the nation. If Bonneville ever stops providing “added value” to the region and the nation as a whole by vigorously pursuing its public responsibilities, it will lose its greatest justification for its continuing existence in the 21<sup>st</sup> century.

Third, we are concerned about the implications of BPA’s apparent decision to transfer to the Northwest utilities the responsibility of developing new resources to assure adequate supply. Historically, the Northwest’s track record for deciding when to build new power plants has not been one to brag about. Still, the region’s “one utility” concept, that first emerged during World War Two and was reinforced through the development and operation of the region’s hydro-system, has provided the Northwest with a competitive advantage that we are hesitant to lose.

We have been pleased and impressed by the ability of the publicly owned and investor-owned utilities to come together on a common proposal for acquiring new resources. The region has experienced far too much infighting among its utilities over the years with little of value to show for it. We hope and pray that these utilities are right when they say they can manage new resource acquisition better than Bonneville and the Northwest Power and Conservation Council. If they succeed, we want to be among the first to congratulate them. But if they fail, and the region finds itself in a “boom-and-bust” building cycle for new power plants that does not track with actual demand of electricity, it is critical that BPA and the Council find a way to provide an adequate backstop. We’re not sure how this backstop should be achieved, except to say that BPA and its customer utilities need to include some sort of “adequacy standard” in their future contracts to ensure that the Northwest consumers will always have the energy resources – including conservation and renewable energy – that we need.

Fourth, given our particular interest in addressing global warming, we are very pleased that BPA appears committed to achieving “its share” of the Northwest Power and Planning Council’s energy efficiency target for the region. We applaud BPA’s statement in support for continuing low-income weatherization funding, and we urge BPA to continue its direct funding of community-based agencies for this

purpose. And we are encouraged that BPA plans on committing \$21 million a year to help with the development of renewable energy. Of course, the devil is in the details on these sorts of proposals, and the details have not yet been provided. We are pleased that BPA has already announced plans to form a work group to help design the new regional conservation program for the post-2006 period. We hope that the membership of this workgroup includes strong and knowledgeable advocates of energy-efficiency programs. The region cannot afford a half-hearted conservation effort. We urge BPA to sponsor a similar work group for renewables.

When the region was short of power in 2001, the utilities felt they had no choice but to purchase large amounts of electricity generated from fossil fuels, including highly polluting portable diesel generators. If BPA and the utility industry had maintained its previous commitment to conservation and renewables, all of this would not have been necessary. Conservation and renewables need stable support and funding. Never again should the Northwest be caught in the embarrassing situation we found ourselves in 2001. We need to do more than just talk about the transition from fossil fuels to energy efficiency and renewables. We need to make this transition a reality.

The Ecumenical Ministries of Oregon's Interfaith Network for Earth Concerns and our Oregon Interfaith Global Warming Campaign are committed to doing our share of the heavy lifting. We have endorsed the NW Energy Coalition's *Energy Matters* Resolution, and we are working hard to educate and mobilize interested faith congregations. We urge BPA and the utilities to do your part to address global warming through vigorous and effective support of conservation, renewables, and other forms of clean energy.

I thank your for your time and your consideration.

Passionate conviction is not uncommon among environmentalists, but the growing linkages between organized religion and environmental activism may bring a whole new fervor to the cause. Around the country, religious leaders are asking their congregations – and automakers – “What would Jesus drive?”

## INTERFAITH NETWORK FOR EARTH CONCERNS

The Interfaith Network for Earth Concerns engages individuals, congregations and religious institutions to “foster an awareness that care for creation is integral to a life of faith.” The Network is a program of the Ecumenical Ministries of Oregon, an association of 17 Christian denominations whose mission, according to director David Leslie, is to “educate and mobilize the faith community on the pressing issues of the day that relate to justice and the common good.”

Interfaith Network for  
Earth Concerns  
Jenny Holmes,  
Program Director (INEC)

Ecumenical Ministries  
of Oregon  
David Leslie,  
Director (EMO)

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Suite B  
Portland, OR 97239  
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Leading up to the 1992 Earth Summit in Rio de Janeiro, environmental issues were at the fore. Interested people in the faith community tried to involve religious groups in local, related events, but met with little success. According to Network program director Jenny Holmes, “It was very difficult to try to find the people that had a real passion for environmental stewardship in congregations and denominations. So out of that experience came the vision to better organize the faith community around environmental concerns. We envisioned a network where representatives from congregations or denominations would be mobilized and have the capacity to share resources and information among all of the different faith communities.”

The Ecumenical Ministries of Oregon fulfilled that vision by creating the Interfaith Network for Earth Concerns.

When the Network started, there were some national efforts to distribute environmental materials to congregations. But, as Jenny says, “What is happening nationally doesn’t always translate to the grass-roots level.” The Network began with a survey and gatherings “to surface the people that had this passion.” Jenny remembers, “One of our first events was a conference called ‘Ethics, Economics and Endangered Species.’ We were looking at the endangered species issue and were able to bring together people with different viewpoints before the vote in Congress on the Endangered Species Act. It was very timely. We demonstrated that the faith community can play a very positive role in bringing together divergent views to discuss key issues in the Northwest.” Following these discussions, religious

leaders in Oregon signed onto a statement in support of a strong Endangered Species Act.

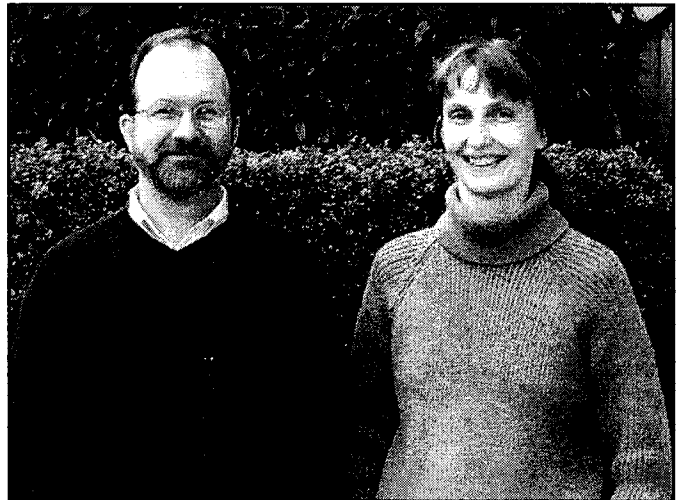
In building the Network, Jenny says, "We were able to be very intentional about following up with people." The endangered species discussion led to a field trip to southwest Washington's Willapa Bay, where a local minister, Dan'l Markham (see Founders 1997 profile), was working to find solutions to local economic and environmental challenges. They visited a woodland owner who managed his land for both trees and spotted owls. "I think it really showed people some possibilities for collaboration, and the role of the faith communities in helping bridge some of these gaps," says Jenny.

When David Leslie arrived at the Ecumenical Ministries in 1997, he led a thorough evaluation of its many program areas and decided that the environmental work of the Network was an important area to develop. Jenny became the Network's first staff person in 1998. Says David, "It's a tough thing because we are standing in a kind of breach. On one hand, we're trying to get the main line religious perspectives into the environmental community, a community that may or may not have a receptivity to religious perspectives. We're trying to affirm, within the religious community, environmental concern that often-times isn't affirmed. So a lot of churches and synagogues and religious communities will say, 'Well, this is not our area of interest.' And yet, there are traditions that date back thousands of years of very consistent concern, metaphor, poetry, and language about how you live in this holistic place."

David continues, "I think part of the religious community's role is to raise issues about power and privilege. Ecumenical Ministries has a history of also being guided by those who don't have a voice, those who don't have the lobby and the advocates." He laughs when he says part of EMO's mission is to "afflict the comfortable and comfort the afflicted."

The Network and Ecumenical Ministries have not shied away from contentious debates. David remembers, "We were asked early on to sign in support of breaching dams on the Lower Snake River. I got a call from an Episcopal bishop in eastern Oregon saying, 'I don't

"The Network has provided a place for people to put together their environmental and their faith hats."



David Leslie and Jenny Holmes

know if we ought to be jumping into that.' We already had a very strong, well-known position supporting farm workers and their organizing rights. So we used this as an opportunity to set up a series of community briefing forums. We called some of them 'Day of Moral Deliberations.' It was an opportunity to gather people of faith and the larger community to deliberate on the implications of both having the dams as well as breaching the dams."

David says "allowing people to use their own language" is a key tenet of the forums, and the work of the Network as a whole. Speakers at the dam breaching forums included rural pastors, barge owners, farmers and tribal leaders. "You're exploring what people have in common. As people tell stories, the metaphors emerge. What do salmon mean or what does water mean? That is deep in the theology, deep in the ethic. It will be communicated differently but you find there are a lot of common points. At the same time we're looking for the differences and how to work with those differences in ways that are more life-sustaining and community-building."

Ecumenical Ministries has not taken a position on breaching the dams. According to David, "Not having a position one way or another, we were able to set up the dialogue process and bring more people to the table." But on other issues, like the Endangered Species Act and climate change, they have taken a clear stand. "Through moral dialogue, discernment, looking at the principles, there are times that you have to take a position. We try to use a process that gets input from our membership, because on any issue we've got all perspectives represented in the pews."

Providing food for the needy has traditionally been a concern of church groups. In addition to new initiatives the Network has taken a traditional church concern – food for the needy – and broadened it to look at food security and sustainability in the region. Since 1997 the Network has worked to deepen understanding between producers and consumers by sponsoring the annual "A Place at the Table" conference on food, ethics, and the earth. In 1999 the Network released a book, *Portland's Bounty: A Guide to Eating Locally and Seasonally in the Greater Portland Region*. The book is an accessible guide to responsible food choices, with eloquent encouragement and practical information about food buying, growing and preparation, as well as information about hunger, food security, and activism. In the introduction, Jenny writes, "Food connects us with the Creator, to each other and to the earth. Food is a justice concern. How the food system is organized affects people and the earth profoundly." The second edition of the book sold 1,000 copies in just six months.



Most recently, the Network coordinated the Oregon Interfaith Global Warming Campaign, part of a national interfaith movement to change energy policy, as well as light bulbs in churches and homes. The campaign kept in touch with local senators during debate on the Energy Bill, and encouraged congregants to speak out. Workshops all over the state with titles like "Cool Congregations: People of Faith Caring for God's Climate" have discussed science, ethics, and specific options for reducing greenhouse gas emissions. "These events, more than anything else, have led to action," says Jenny. The Network encourages clergy to address these issues from the pulpit; they recently distributed sermon notes on fuel efficiency and clean cars.

The Network's Oregon Interfaith Power and Light project encourages congregations to upgrade their energy efficiency, provides incentives for churches and congregants to switch to renewable power, and provides consultations on energy efficiency and solar energy. Jenny explains, "With renewable energy options becoming available in Oregon, we thought it'd be a great opportunity to educate the faith community about renewable energy, and it's served as a complement to our global warming campaign. It gave people direct hands-on things to do." A deal with Green Mountain Power, Portland General Electric and Pacific Corp means that every congregant who signs up for renewable power generates a \$10 donation for her/his church. Forty-four congregations now have liaisons trained to provide education about renewable energy and conservation, and 11 congregations have completed lighting efficiency upgrades through a pilot project that tested a new funding opportunity for non-profit energy projects.

According to David, "the larger part of our advocacy is in our own church base." Jenny says one of the Network's challenges has been getting folks to move from talk to action. "It has been slow going with a lot of faith groups. I've been surprised by groups that I thought would be more on board not going very far, as well as by some that have taken this on very recently and are making great leaps forward."

The Network's influence can be seen in other programs of Ecumenical Ministries as well. At the Patton House, which provides drug- and alcohol-free residential housing to low-income individuals in North Portland, volunteers recently broke ground for a community garden/edible landscape. The goal of the project is "to promote health and positive social relations in an environmentally sustainable

"We demonstrated that the faith community can play a very positive role in bringing together divergent views to discuss key issues in the Northwest."

manner.”

“The Network has provided a place for people to put together their environmental and their faith hats and that creates some real energy,” says Jenny. “People come into environmental work with more depth, thinking with their head and their heart. They’ve been singing in the choir for years and they’re a leader in their environmental group, but they never connected the two or seen the possibilities. We’ve given them some support and some encouragement to go forward and get something started within their congregation.”

RD04-0125  
SEP 24 2004



**POPE & TALBOT, INC.**

September 21, 2004

Theresa Rockwood  
Bonneville Power Administration, PSW-6  
P.O. Box 3621  
Portland, OR 97208-3621

Subject: Comments on BPA Policy Proposal for Power Supply Role for FY 2007-2011

Dear Theresa:

We have reviewed BPA's Policy Proposal for Power Supply Role for FY 2007-2011. We found the document quite comprehensive and particularly thank you for including Section H., Service To New Large Single Loads. By offering NLSL customers access to your Preferred rate you are offering strong encouragement for the development of on-site cogeneration and the use of renewable energy, both of which are important long term sources of energy for our region. We do, however, have a couple of comments on how Section H is written:

1. The first comment involves the definition of who is actually qualified to receive this offer. As a NLSL customer on Emerald People's Utility District's system, we feel certain that we would qualify, however, your use of the term DSI in Section H leaves us a little unclear. We feel strongly that companies such as ourselves are perfect candidates for this type of offer and want to make sure that is clear in your final document. To do this, we would recommend that you remove any reference to DSIs from this Section and refer only to NLSL's such as ourselves.
2. The second comment to Section H. regards the requirement of a customer to provide the rest of its plant load with on-site cogeneration or renewable energy in order to qualify for the 9.9 aMW at the Preferred rate. This requirement could force a customer to have to install a plant or purchase an amount of renewable energy so large that would not be economically feasible. To truly encourage on-site cogeneration or the use of renewable energy we would recommend that BPA revise this requirement so that BPA would match every 1 AMW of on-site cogeneration installed or renewable energy purchased with 1 aMW of Preferred rate power, up to 9.9 aMW per year.

Thank you for giving us the opportunity to comment during your Regional Dialogue process. Please call if you have any questions. We look forward to meeting with you again in the near future.

Sincerely,

Wayne Henneck, General Manager Halsey Pulp Mill  
Pope & Talbot, Inc.  
541-369-1154



RJ04-0126  
SEP 24 2004

Applied Industrial Technologies-  
Bearings  
P.O. Box 24345 (98124-0345)  
4021 Sixth Avenue South  
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206 223 5255 Tel  
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September 22, 2004

Bonneville Power Administration  
Steven Wright  
Administrator  
P O Box 3621  
Portland, OR 97208-3621

Steven,

I am writing to show my support of the proposals made by the aluminum industry for long-term BPA contracts. It is my feeling that this proposal must be accepted. As you know, for more than 60 years, BPA and the aluminum industry have been partners in this state. Together, they have been bringing infrastructure and low rate power to everyone. To consider giving the industry even less in the future is down right wrong.

Our economy has suffered enough. Throwing away good, family-wage jobs by cutting the industry off will destroy the economy of rural communities throughout Washington.

Please take action to save the industries that remain in this state. These jobs are very important. We have seen other plants closed and modernization plans scrapped throughout North America because long-term power was not available. Please make sure affordable power is available to industry. The future of many people rests in your hands.

Sincerely,

A handwritten signature in cursive script that reads 'Cecil M. Cole, Jr.'.

Cecil M. Cole, Jr.

General Manager  
Applied Industrial Technologies  
901 Iowa  
Bellingham, WA 98223