PACIFIC COAST FEDERATION of FISHERMEN'S ASSOCIATIONS

Please Respond to:

☐ **California Office**
P.O. Box 29370
San Francisco, CA 94129-0370
Tel: (415) 561-5080
Fax: (415) 561-5464

www.pcffa.org

fish1ifr@aol.com

☐ **Northwest Office**
P.O. Box 11170
Eugene, OR 97440-3370
Tel: (541) 689-2000
Fax: (541) 689-2500

STATEMENT OF GLEN H. SPAIN ON BEHALF OF THE PACIFIC COAST FEDERATION OF FISHERMEN'S ASSOCIATIONS (PCFFA) TO THE U.S. HOUSE NATURAL RESOURCES COMMITTEE

Field Hearing on H.R. 6247 "Saving Our Dams and New Hydropower Development and Jobs Act"

Pasco, WA August 15, 2012

Thank you for the opportunity to testify. I am the Northwest Regional Director for the Pacific Coast Federation of Fishermen's Associations (PCFFA), which is the largest trade organization of commercial fishing families in the western U.S. PCFFA represents thousands of working men and women in the U.S. Pacific commercial fishing industry, and has member fishermen's associations and individual members in every seaport from San Diego to Alaska.

Commercial fishing is a major U.S. industry, generating *billions* of dollars annually to this region's economy, and supporting *hundreds of thousands* of family-wage jobs in this region as well as providing high quality seafood for America's tables and for export.

In Washington State alone, our seafood industry supports more than 58,000 family-wage jobs – and more than 1,000,000 family-wage jobs nationwide. Salmon fishing is one of the most important components of our commercial fishing industry, generating more than $369 million/year in direct landings sales at the docks, which in turn supports more than $1.25 billion in related economic impacts to this region's economy (see *Fisheries Economics of the United States, 2009*, available on the Internet at: www.st.nmfs.noaa.gov/st5/publication/fisheries_economics_2009.html).

The valuable Pacific salmon fishery – *and tens of thousands of jobs in our industry* – is also greatly influenced by the health of the remaining salmon stocks in the Columbia River, which even greatly diminished from its historic productivity (originally with runs of between 10 to 30 million salmonids/year) still remains the single most productive salmon-producing river in the lower 48 states. Even so, current salmon numbers today are only at best about 10 percent of what a restored Columbia River could potentially generate. More than 50 percent of that productive potential lies in the Snake River, the Columbia's largest tributary.

Columbia River salmon abundances influence harvest allocations all the way from central California to well into Alaska. In fact, approximately 58 percent of all salmon harvested commercially in Southeast Alaska come originally from the Columbia. This is why the health of the Columbia salmon stocks is so important to our industry – *it's all about jobs!*

Severe salmon run declines in the Columbia over the past several decades have had devastating impacts on the economies of many western states. In an economic study by the Institute for Fisheries Resources (*The Cost of Doing Nothing: The Economic Burden of Salmon Declines in the Columbia River Basin* (Oct. 1996)), that study concluded that up to $500 million/year in regional economic benefits are being lost each year from salmon declines in the Columbia Basin, together with approximately 25,000 lost family-wage jobs. (See: http://www.pcffa.org/CDNReport-Columbia.pdf). The economic cost of the current highly depleted *status quo* on the Columbia is, in fact, huge.

Our sister industry, the recreational fishing industry – which would also be negatively affected by many provisions of H.R. 6247 that deal with dams and hydropower development nationwide – itself amounts to a $125 billion industry nationwide supporting more than another 1 million jobs, according to the American Sportfishing Association (see http://asafishing.org/facts-figures/sales-and-economics). That industry too, like the commercial salmon fishing industry and the jobs they both support, is almost entirely dependent on healthy rivers for its existence.

This is particularly true for western U.S. salmon fishermen, who have suffered enormously from the loss of salmon habitat and the complete or nearly complete blocking of many of our most productive western U.S. salmon-bearing rivers by poorly thought-out dams, often built without fish passage, many of which are now outdate or functionally obsolete.

Make no mistake, decades of gradually lost western states' salmon-river productivity has meant tens of thousands of lost jobs for our industry, nearly bankrupted many coastal communities, and caused widespread economic and social disruption in many rural communities and towns. On the flip side, however, more recent river restoration efforts – including the removal of salmon-killing dams when those dams no longer are cost-effective to keep, or where

they were foolishly located – are helping to restore many thousands of local fishing and river-related jobs, providing economic lifeblood to once-dying coastal fishing-dependent communities, and restoring *many billions* of dollars to the U.S. economy. In short, more salmon means more jobs and stronger economies throughout the coastal western states.

While there are some aspects of H.R. 6247 to which we see no objection, there are many more provisions that are at best poor public policy, *and at worst would create economic disasters and destroy thousands of jobs in our industry.* I will discuss only the worst provisions in my short comments in Part 2 below, as well as try to put some of these worst provisions – those aimed at imposing scientific "gag-rules" on federal agencies and categorically preventing dam removals regardless of the economic consequences – into some perspective in Part 1.

Part 1 – Aging Dams as a National Infrastructure Disaster

First off, to see why in many cases dam removal makes good sense, we should consider the current state of the nation's aging dams. There are, according to the U.S. Army Corps of Engineers' National Inventory of Dams, approximately 84,000 dams in the nation providing a range of benefits and built for a wide array of purposes. This is a staggering number – *roughly one dam built in the U.S. for every day since the signing of the Declaration of Independence in 1776.*

Yet no dam can exist forever. All have engineered lifespans, after which their reservoirs silt up, their concrete structures crack and deteriorate, and they can catastrophically fail – endangering the lives, property and natural resources (including drinking water supplies) of those who live far below and around them.

An increasing number of the nation's 84,000 dams are now economically obsolete, many are near or past their engineered lifespan, and quite a few no longer function to provide the benefits they were intended to produce. According to a January 2009 report by the Task Committee of the Association of State Dam Safety Officials, *The Cost of Rehabilitating Our Nation's Dams*, over 4,400 of these 84,000 dams are now considered to be physically unsafe by state dam safety inspectors. From 2005 to 2008, their report notes, the states reported 566 dam incidents, including 132 dam failures – and that number is likely under-reported. The nation's dam failure rate is also expected to accelerate. That report is available at: http://www.damsafety.org/media/Documents/DownloadableDocuments/RehabilitationCosts2009.pdf. That report also noted that:

> "Without proper maintenance, repairs, and rehabilitation, a dam may become unable to serve its intended purpose and could be at risk for failure. State and federal dam inspection programs can identify deficiencies in dams, but inspections alone will not address safety concern posed by inadequately maintained or outdated dams. For most dam owners, finding the funds to finance needed repairs or upgrades is nearly impossible. The lack of reliable funding to resolve dam safety issue poses a threat to public safety nationwide."

That important study also concluded that the cost of rehabilitation up to current safety standards of just the nation's non-federally owned dams would be $51.46 billion. To address just the most critical of these dams over the next 12 years, the cost was estimated to be at least $16 billion.

Congressional efforts to help provide those funds, the study noted, have been few and paltry compared to the urgent need. The report also notes that, at least at the time written, there was only one federal program available for rehabilitation of non-federally owned dams (the *Watershed Rehabilitation Act of 2000* (P.L. 106-472, Sec. 313)), and its funding was orders of magnitude smaller than what is actually going to be required.

In short, an increasing number of the nation's dam are aging, increasingly obsolete, and becoming an infrastructure nightmare with serious repercussions for the nation's public health and safety. In this light, Congress should be *encouraging* private industry efforts to remove obsolete dams, not inhibiting it as H.R. 6247 attempts to do.

While only a small fraction of the nation's approximately 84,000 dams were designed to generate hydropower, this logic applies across the board. FERC currently carries 3,036 licensed hydropower dams in its safety inspection program, with about two-thirds of those dams more than 50 years old. Some older power dams are candidates for removal because they can no longer be operated cost-effectively – or are doomed to near-term catastrophic failure unless ultimately removed. To put things in perspective, it's worth noting that FERC has licensed 20,441 MW of hydroelectric capacity since 1986, yet only 222 MW (about 1% of total licensed capacity) are current FERC candidates for decommissioning. Those few dams that are candidates for decommissioning are, however, on that list for very good reasons.

Each Dam Removal Proposal Must Be Judged on its Merits

It is just as illogical to say "all dams are good" and should be kept as they are, as to say "all dams are bad" and should be removed. The fact is, each dam was designed and constructed to provide certain public benefits and engineered only to last for a specific life span. *No dam can last forever – eventually it will either come down by human design or catastrophic failure.*

Dams also have a serious economic downside: they can block valuable rivers, destroying other valuable natural resource industries (including commercial or recreational fisheries), which in turn destroys jobs, and can have devastating impacts on water quality and disrupt natural hydrological flows that cause other societal problems such as greatly increasing the costs of providing clean drinking water to communities downstream.

Any rational analysis must therefore conclude that dams that no longer provide sufficient public benefits to justify their existence, or which are reaching the end of their engineered life-span and becoming safety hazards, or which are creating other problems for society (such as destroying valuable fisheries) which push their economic value to society into the negative, are potential candidates for removal. Thus each dam removal project must be evaluated and judged on its own merits, always on a case-by-case basis.

According to American Rivers, at least 925 dams have been removed over the past 100 years in this country. As more dams age, many more are becoming candidates for removal. Other dams can still be upgraded, their hydropower output improved with new technologies, and can

remain in place longer – *but always at an economic cost.* If that cost to upgrade or retrofit a dam to modern relicensing standards surpasses or outweighs the economic value of any benefits that dam can provide, then that dam becomes economically obsolete, and it should be considered for removal. *But again, this is a case-by-case judgment that must be made for each dam.*

Hydropower Dam Removals That Make Economic Sense

The Condit Dam: The Condit Hydroelectric Project is a privately owned 125-foot high dam located in south-central Washington on the White Salmon River in Klickitat and Skamania Counties. The project has a nameplate capacity of 13.7 MW, but generally provides less than that maximum amount. Constructed between 1911 and 1913 by the now defunct Northwestern Electric Company, PacifiCorp Electric Operations (PacifiCorp) acquired the project in 1947. A PacifiCorp fact sheet on Condit Dam is also available online at: www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/EnergyGeneration_FactSheets/3721-20_GFS_Condit_v4.pdf.

In short, this was a very old and largely obsolete dam, which generated very little total energy (only about 1/10th of 1% of PacifiCorp's total generation capacity of 10,597 MW) and was built (well before the advent of the current multi-state electrical grid) to serve local manufacturing plants that no longer exist. FERC relicensing of this very old project was clearly going to require major retrofitting to upgrade construction to meet current relicensing standards. Those relicensing costs, as it turned out, would likely far exceed the dam's economic value.

In 1999, after two years of negotiations, a Settlement Agreement was reached between PacifiCorp and multiple agencies and stakeholder groups that provided a lower-cost way to remove the dam by simply allowing it to remain in operation for a period of years while still selling power and then using those revenues to pay into a "dam removal fund" to minimize cost impacts to company ratepayers. Condit dam was removed earlier in 2012.

No federal funds were used for actual Condit dam removal, but because the Condit Dam removal affects multiple federal interests, including lands of the Yakama Tribe, the U.S. Department of Interior and several other federal agencies were involved in that Settlement in order to protect federal interests. The Settlement Agreement and related documents on the Condit Dam removal project are available on a PacifiCorp web site at: www.pacificorp.com/es/hydro/hl/condit.html.

The Elwha and Glines Dams: Elwha Dam, completed in 1913, is a 108-foot high concrete gravity dam located on the Elwha River in the Olympic Peninsula at river mile 4.9. It has no fish passage. A powerhouse contains four generating units with a combined generation capacity of only 14.8 MW.

The companion Glines Canyon Dam, completed in 1927, is a 210-foot high single-arch concrete structure located at Elwha River mile 13. It also has no fish passage facilities. A powerhouse with one generator has a capacity of only 13.3 MW.

Both dams sat illegally on federal lands within Olympic National Park. Both dams were originally constructed to provide electricity to a handful of then-isolated local saw mills –

operations which either no longer exist or which can today draw much cheaper power from the multi-state power grid, which did not exist when the dams were originally built. In short, these small -- and now technologically obsolete -- power dams have simply outlived their original purposes.

Since their construction, however, the damage caused by the Elwha and Glines Canyon dams to public resources has been far-reaching. Salmon and steelhead populations have been considerably reduced. Only about 4,000 salmon now spawn in the 4.9 miles of river below Elwha Dam out of what were once some of the most valuable and abundant salmon runs in the State of Washington.

In addition to decimating the river's valuable salmon runs, the dams also struck a long-term blow to the Lower Elwha Klallam Tribe which relied on the salmon and river for their physical, spiritual and cultural well-being. The Tribe considered the dams' existence to be a breach of the United States' federal Trustee responsibilities toward the Tribe – exposing the federal government to major potential legal liabilities for breach of that trust.

The economic harm caused by these two dams has reverberated throughout the entire coastal Washington ecosystem. The dams and their associated reservoirs inundated and degraded over five miles of river and 684 acres of lowland and forest habitat, much of it federal lands. The river itself has been degraded through increased temperatures, reduced nutrients and reduced spawning gravels downstream. Multiple other animal species which depended on Elwha River salmon for their sustenance have greatly declined in numbers.

In 1992, Congress passed Public Law 102-495, the *Elwha River Ecosystems and Fisheries Restoration Act*. That Act directed the Secretary of the Interior to study ways to fully restore the Elwha River ecosystem and native anadromous fisheries. Purchase and removal of these two dams was one of the considerations. The *Elwha Report*, submitted by the Secretary of the Interior, determined that removing the dams was both feasible and necessary to fully restore the fisheries and river.

Removing both dams this year is re-opening over 70 miles of still pristine salmon habitat. With 83 percent of the Elwha watershed now protected within Olympic National Park, salmon have an especially high chance for recovery. A restored, free-flowing river is estimated to be able to produce approximately 390,000 salmon and steelhead annually within about 30 years, compared with less than 50,000 fish if the dams were fitted with expensive upstream and downstream fish passage facilities, which are much less effective than volitional passage.

The November 1996 Final EIS found that significant economic benefits estimated at $164 million over the 100 years following dam removal will be realized through increased recreation, tourism, and sport fishing. Ultimately, the high costs of retrofitting and relicensing these dams, for a very small power benefit, and the major economic benefits from restored salmon and steelhead fisheries, all greatly outweighed the economic value of keeping these economically obsolete dams.

Both were purchased by the federal government in 2000 and are now finally being removed this year – and salmon are already recolonizing newly opened areas on the Elwha River for the

first time in nearly 100 years. As these fish runs recolonize the Elwha and grow in abundance, they will re-establish many previously lost local and regional fishing jobs and help restore damaged local economies.

The terribly slow pace of the Elwha-Glines dam removal process is also an object lesson in why all dam removals should not depend upon Congressional approvals, as H.R. 6247 seeks to require. The obviously necessary removal of these private dams, sitting illegally on federal lands, was actually formally approved by Congress back in 1992. However, it then took the federal government nearly 20 years to accomplish the dam removal components of that 1992 bill. The reason: funding was blocked for *nearly 15 years* because of Congressional political in-fighting that had nothing to do with the merits of this specific project.

Why Klamath Dam Removal Also Makes Economic Sense: The four Klamath hydropower dams (Iron Gate, Copco 1 & 2 and the J.C. Boyle Dam), also owned by PacifiCorp, are also good examples of aging dams that are now technologically and economically obsolete. They also cause far too much damage and economic losses to lower river and coastal salmon industry jobs to justify their continued existence. The first of these four dams was built in 1918 and none of them have fish passage for salmon – a practice that is patently illegal today.

The Klamath River is also economically important for salmon fishing industry jobs because it was historically the *third largest* salmon-producing river in the lower 48 states, historically producing an average run of about 880,000 salmon and steelhead annually. Outside of Alaska, only the Columbia and Sacramento-San Joaquin river systems produced more salmon and steelhead. Today – in no small part due to the damage done by impassable dams – the Klamath chinook salmon runs average less than 15% of historic numbers, and in some years less than 4%.

Because these four Klamath dams essentially cut the river in half, blocking access to most of the salmon's historic spawning grounds, and because of multiple other water quality and depleted spawning gravel impacts, in some years (such as 2006) the river's remaining productivity cannot even meet the minimum 35,000 "spawner floor" requirement deemed biologically necessary to have a fishery. In such years "weak stocks" in the Klamath close down whole chunks of the ocean commercial salmon fishery from Monterey, CA to well into Washington State in which they intermingle. In 2006 this type of "weak stock" closure cost California, Oregon and Washington more than $100 million in direct economic losses – and required $64.2 million in emergency Congressional disaster assistance.

Yet the reality is that all four Klamath dams combined do not generate all that much power. Although the whole Klamath Hydroelectric Project is technically rated for maximum power generation of about 169 megawatts (MW) (about 1.6% of PacifiCorp's total generation capacity of 10,597 MW), no dams can run at maximum capacity 24/7, especially during summers when turbine flows are lowest. The entire Klamath Hydroelectric Project combined actually generated only about 82 MW of power on average over the past 50 years, according to FERC records (see the November, 2007, FERC *Klamath Final Environmental Impacts Statement* ("FERC FEIS") available online at: http://elibrary.ferc.gov/idmws/File_list.asp?document_id=13555784 or found by a FERC docket search at www.ferc.gov, Docket No. P-2082-027, posted November 16, 2007, Document No. 20071116-4001). For comparison, a single modern electrical power plant can continuously generate 1,000 MW or more.

The 1956 Federal Energy Regulatory Agency (FERC) 50-year license to operate the Klamath Hydropower Project expired in 2006. There are now only two legal options for these Klamath Hydropower Project dams, both of which will cost PacifiCorp ratepayers money. These options are to either: (1) update the dams and relicense them to modern safety and fish passage standards, which it turns out will cost *at least* $460 million, and quite likely more than $500 million once all (currently unknown) water quality damage mitigation costs are added in, according to PacifiCorp testimony to the California and Oregon Public Utilities Commissions (PUCs); or (2) decommission and remove these aging dams entirely – which the company can now do far more cheaply under the recently signed *Klamath Hydropower Settlement Agreement (KHSA)* for a "capped" cost to its customers of only $200 million.

And according to cost-benefit estimates by FERC, even after all the expensive retrofitting to meet modern standards for relicensing, these dams would still then only be able to generate about 61 MW of power on average -- *about 26% less than they do today* (FERC FEIS, Sec. 4.4, pg. 4-4). Klamath dam relicensing thus means spending *a great deal of money for what is actually very little power*. In fact, FERC estimated in its 2007 *Final Environmental Impact Report* (FEIS) on relicensing that even if fully relicensed, the required retrofitting would be so expensive that these dams would then have to operate *at more than a $20 million/year net loss* (FERC FEIS (Nov. 2007), Table 4-3 on pg. 4-2).

If you calculate the cost of FERC relicensing (at least $500 million) and also accept the economic losses estimated by FERC of $20 million/year for a new 50-year FERC license (a net economic loss of $1 billion over 50 years) and add them together, then the probable costs of a new 50-year FERC license for the four Klamath dams to PacifiCorp's customers would be at least $1.5 BILLION. ***This relicensing cost is 7.5 TIMES the "capped" costs of $200 million that PacifiCorp's customers will be obligated to pay for Klamath River four-dam removal under the current Klamath Hydroelectric Settlement Agreement (KHSA).***

In short, the full cost of FERC relicensing for these four aging and now economically obsolete dams would vastly exceed their remaining net economic value.

These inescapable economic numbers are why, on May 5, 2011, the California Public Utilities Commission (CPUC) formally confirmed that the KHSA is indeed the most cost effective, least risky and therefore best alternative for PacifiCorp's customers as compared to FERC relicensing (CPUC Docket No. A10-03-015). A prior September 16, 2010, ruling by the Oregon PUC came to the same conclusion (OPUC Docket No. UE-219).

In short, keeping the Klamath dams would mean extremely expensive fixes for a lot less power, and result in a project that would likely lose money for the rest of any new license – *losses that customers would ultimately also have to make up for in even higher power rates*. The "bottom line" is that it's just a lot cheaper for customers to remove the four Klamath dams than to keep them.

And this doesn't even begin to account for the likely economic and jobs-related benefits of a restored world-class Klamath salmon run, a more stable irrigation system and the many other economic benefits that will also come from other aspects of the Klamath Settlement. The best

current estimate is that this dam removal project with its associated major watershed restoration efforts would nearly double the average salmon run size from the basin, stabilize an otherwise at-risk $750 million farming and fishing local economy -- and create 4,600 new farming and fishing jobs (see www.klamathrestoration.gov, *Summary of Key Conclusions* and *EIR/EIS Economic Fact Sheet*).

The best current estimate for the total costs of decommissioning and full removal of the four dams, including various mitigation measures not available under the FERC process alone, is about $290 million (i.e., most likely cost, in 2020 dollars), including various environmental mitigation measures (see *Detailed Plan for Dam Removal – Klamath River Dams* (Sept. 15, 2011), Table ES-1, pg. 7, at www.klamathrestoration.gov). By implementing dam removal through the KHSA, PacifiCorp thus saves its customers at least another $90 million as well as reduces its own company and ratepayer risk and uncertainty. This is another good business reason the KHSA is a good deal for PacifiCorp customers.

It should also be noted that in accordance with the KHSA, no federal money will be used for this Klamath dam removal process. Dam removal is to be financed under the KHSA *solely* through non-federal sources, with the first $200 million coming from PacifiCorp ratepayers. What little federal money has been used to analyze the Klamath dam removal proposal is because it will directly impact federal lands, and this analysis was required by NEPA.

As to replacement power, Pacific Power is already legally committed to bringing more than 1,400 MW of brand new, cost-effective renewable power online by 2015 (see *Final Order*, Measure 41, in CPUC Docket A05-07-010). This is *17 times more* power than the four Klamath dams generate all together today. There are many options for the replacement of this power from comparable carbon-free or renewable sources by 2020.

****

Summary of Part 1: Many hydropower dams still make economic sense, but in a growing number of instances it is *dam removal* that makes the *most* economic sense, is the only common sense option. In those instances it would be foolish indeed for Congress to try to force private companies (as in the case of PacifiCorp's Klamath dams) to retain economically unproductive assets to the detriment of their ratepayers and customers, as H.R. 6247 tries to do. It would be even more foolish for Congress to forbid restoration and mitigation efforts by federal agencies on federal lands that may incidentally occur from non-federal dam removals, as H.R. 6247 also tries to do.

Not all dams are created equal. Many of the nation's dams today, including a growing number of the 3,036 major hydropower-producing dams, simply no longer make economic sense. Many of these aging dams use old technologies and are thus functionally obsolete; some are orphaned or now abandoned; and others would be cost-prohibitive to retrofit or rehabilitate, and so are economically obsolete. *But if left in place they will ultimately fail catastrophically.*

The only sensible option in such cases is simply to remove those obsolete dams entirely and replace their renewable power through more cost-effective (i.e., cheaper) sources from nearly anywhere else in the nation's vast power grid.

Part 2 -- Major Problems with H.R. 6247

Sec. 7 – Automatic Congressional Preapprovals of Unknown Future Federal Water Storage Projects. This provision is clearly a "Trojan horse" that provides a pre-approved, "blank check" of Congressional approval of *unknown future federal "projects" regardless of any and all environmental laws, and regardless of whether these projects even make economic sense*. Such a "blank check" provision allows federal bureaucrats far too much power to rubber stamp and approve dubious new federal projects without NEPA analysis, Clean Water Act clearances, public scrutiny or any other of the many checks and balances traditionally provided to protect taxpayers from oppressive government bureaucracies and boondoggle construction projects.

Even if no federal funds are used for financing, constructing, or operating such future hypothetical federal projects, *they still remain federal projects*, and should not be "pre-approved" sight unseen without public debate or federal oversight. This would simply be bad public policy. Also, there is no reference in this blanket exemption to there being non-federal funding *for repairs and maintenance costs* of any such project – so presumably the federal taxpayer would still be on the hook for those costs.

There is clearly a need for more water storage in many places in the arid West. But future reservoir projects should be planned systematically and thoughtfully, on a case-by-case basis and with ample opportunity for public involvement and discussion. Blanket Congressional pre-approvals of such projects forever in the future, sight unseen, and regardless of their details and prior to any real NEPA or cost-benefit analysis, is bad public policy and will lead to bad government decisions.

Sec. 8 – Prohibiting So-called "Harmful Spills" at Federal Dams. This section is clearly aimed at ending the Court-order practice of "spilling" water through the Columbia River federal power dams' spillways in order to prevent endangered juvenile salmon from having to go through their turbines, where many are killed.

In fact, this "spill" program has proven to be far more successful at increasing overall salmon survival through the Columbia River dams than anyone predicted. (See: *Comparative Survival Study (CSS) of PIT-tagged Spring/Summer Chinook and Summer Steelhead (2011 Annual Report*, prepared by the Fish Passage Center and Comparative Survival Study Oversight Committee, available at: www.fpc.org/documents/CSS/2011%20CSS%20Annual%20Report--Final.pdf; see also: Fish Passage Center Memorandum of July 14, 2011, *Benefits of spill for juvenile fish passage at hydroelectric projects*, at: http://fpc.org/documents/memos/102-11.pdf).

Ending this important, and now proven effective, mitigation practice just throws one of our best salmon mitigation tools out the window. This just promotes more mitigation failures and puts that much more pressure on the other aspects of the Columbia River hydropower system to provide equivalent survival benefits they cannot provide. *This provision is clearly bad for salmon and salmon jobs.*

Drought also has nothing to do with spills within the Columbia Power System. The eight federal power dams on the Columbia and Snake Rivers are all "run of the river" dams, and so neither upstream nor downstream flows are changed in any way by whether or not flows at the dams run through the turbines or through the spillways – it is the same volume of water, just flowing through different gates. In fact, Columbia dam spills are more important to maintain during dry years than ever. The last time spill was cut off due to low-water conditions in the Columbia was in 2001 and it devastated Columbia Basin salmon returns, and salmon-dependent fishing communities, for the next several years.

There is always some impact on salmon caused by spills, such as the potential for gas bubble trauma (GBT) from supersaturation of nitrogen in the spillways. *But Sec. 8 could prohibit spill even if spill is by far less harmful than forcing young salmon through the turbines.* This is in fact what the science shows. There is no effort in this provision whatsoever to balance relative risks of harm, nor to acknowledge the science – only to categorically shut down spill and thereby throw out a major dam impacts mitigation tool that has been proven to improve salmon survival and has resulted in higher salmon returns. Moreover, the region currently has the tools and means to shut off or to reduce spill when and if necessary to truly protect salmon. At present, however, the science says that salmon could use more spill not less.

In a massive government overreach, Sec. 8 also apparently gives any federal agency anywhere veto power over whether or not water is spilled at any dam anywhere for any (or no) reason. This could jeopardize dam spill mitigation programs all over the country, putting vast portions of our inland recreational fisheries – *and many thousands of fisheries jobs* – at risk.

Sec. 10 – Halting Funding of BPA Modernization. This provision attacks several proposals and programs described in a recent Secretary of Energy Chu memo that, if implemented, would help the nation's PMAs, including BPA, to accelerate and expand energy efficiency and integration of certain renewable energy resources such as wind power. Generally speaking, increasing the amount of energy efficiency and non-hydro renewable energy in the Northwest provides BPA with additional flexibility in how it manages the federal hydro system. With a more diverse renewable energy portfolio and the deployment of new large-scale efficiency initiatives, BPA could pursue many operational changes at the federal dams that in turn aid salmon. *Halting this modernization process will retard salmon recovery efforts and destroy many more salmon jobs.*

HR 6247 would essentially deep-six Secretary Chu's modernization efforts, or at least unnecessarily delay their implementation for years. Salmon wouldn't be the only thing to suffer as a result; one of the primary objectives of the Chu memo is to stimulate job creation in the clean energy economy – but by turning the nation's energy development clock back to approximately 1950, HR 6247 would stand squarely in the path of these new clean energy jobs and the much needed new economic activity they'd bring to the Northwest and beyond.

Secs. 11, 12, 13 and 14 – New Prohibitions on and Barriers to Necessary Dam Removals. These provisions are entirely punitive, among other things imposing a "scientific gag-rule" (Sec. 11) preventing federal agencies from studying, analyzing – and by implication even commenting with any knowledge about – future hydropower dam removal projects, federal or non-federal. *All this does is to force agencies to ignore the science and*

institutionalizes government-mandated ignorance. Imposing ignorance and forbidding informed input on government decisions is the worst of bad public policy. This provision also runs counter to several other sections of law, including NEPA, requiring the agencies to conduct such studies when such projects could potentially affect federal resources.

Many rural dams sit on, near or can affect nearby federal lands. Sec. 12 prohibitions against the federal government spending money to help mitigate the impacts of dam removals on federal lands also means that federal lands that are affected by nearby non-federal dam removals will just have to sit there forever as damaged -- without any possible restoration efforts by federal agencies. Such public resources will simply be wasted. *When those public resources include rivers that support valuable fisheries this prohibition will also help kill fisheries jobs nationwide.*

Sec. 13's prohibitions cutting off even completely unrelated federal funds to any NGO which, for instance, intervenes in FERC dam relicensing proceedings (a form of litigation) or other litigation that "would negatively impact the generation of hydropower" in any way – *by even the smallest amount* – are merely petty attempts to Congressionally punish organizations for their exercise of First Amendment free speech rights to comment on public issues, and punishes related efforts to protect public resources and utility customers from boondoggle federal projects. *It also smacks of the grossest form of government coercion and overreach.*

Furthermore, this provision would prevent communities all around the U.S. from taking appropriate and necessary steps to ensure public safety and safeguard public resources. This provision would eliminate a multitude of highly successful river restoration programs currently conducted through federal-NGO river restoration community partnerships. None of these prohibitions make any rational sense, and are terrible public policy.

And finally, apparently in a misguided effort to expedite more hydropower development, Sec. 14 would simply strip the fish and wildlife Trustee agencies (USFWS and NMFS) of their long-standing Federal Power Act Section 4(e) conditioning authority over future FERC licenses, leaving it solely to FERC – *and not the Trustee agencies who actually have the expertise over such matters* – to make final decisions on how best to protect the nation's valuable fish and wildlife resources from potentially negative impacts of power dams. Turning America's multi-use and economically vital rivers into single-use industrial conduits for hydropower alone is terrible public policy. ***It is hard to imagine a faster way to kill all other major river-dependent industries and the millions of jobs they support.***

Since the passage of the *Federal Energy Policy Act of 2005*, Pub. L. No. 109-58, § 241, 119 Stat. 594 (2005), hydropower applicants have already had numerous special opportunities to present less costly alternative mitigation measures to offered agency conditions for adoption by FERC, complete with special quasi-judicial hearing rights. None of the extra bureaucracy introduced by Sec. 14 into the FERC process is in any way necessary.

If Congress wishes to truly expedite new low-impact hydropower projects, it already has before it the McMorris Rodgers' *Hydropower Regulatory Efficiency Act* (H.R. 5892) which passed the House on 7/9/12. *Not one dissenting vote was cast against this bi-partisan bill*. That is the sort of bi-partisan and collaborative initiative that would make much more sense than the largely punitive and misdirected provisions of H.R. 6247.

****

PCFFA Testimony HR 6247 (Hastings) (08-15-12)