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U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

Opening Statement of
Chairman Doc Hastings
Subcommittee on Water and Power

On Wednesday, June 26, 2013

1324 Longworth House Office Building Subcommittee Oversight Hearing on
"The Power Marketing Administrations: A Ratepayer's Perspective"

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Thank you, Chairman McClintock. This hearing provides an opportunity to fulfill one of the primary responsibilities of this Committee, which is to exercise oversight over the agencies within our jurisdiction.

As witnessed by the actions of the Department of Energy over the last two years, the Power Marketing Administrations – particularly the Western Area Power Administration -- are ripe for continued oversight. While ratepayers typically recover all of the costs of these agencies, Congress must do its part to ensure that their electricity rates remain fair and at the lowest cost possible within sound business principles.

That's what this hearing is about. Hearing from those who actually pay the bills provides a forum for this Committee to assess what's working and what's not with these agencies.

For generations, the Power Marketing Administrations – including the Bonneville Power Administration in my home region of the Pacific Northwest – have provided low-cost, affordable and renewable electricity to millions of consumers. Grand Coulee Dam in my congressional district is the flagship of this successful story. To this day, it is the largest electricity provider in the nation and captures enough water to irrigate almost 700,000 acres of what I think is the best agricultural land in the world. BPA relies largely on hydropower dams to provide the cleanest, most efficient form of renewable energy—and one that makes possible many other forms that are intermittent.

But, times are changing in the West thanks to never-ending lawsuits by litigious groups, activist judges and "Washington, DC knows best" policies. In fact, just last week, the Federal Energy Regulatory Commission rejected a regional approach for transmission planning and cost allocation that has worked well for years in the Pacific Northwest.

Down the street at the Forrestal Building, the Department of Energy continues its push to implement the top-down Chu memo and another federal government-inspired idea called

"Access to Capital." Time and again, the customers who pay the bills are left wondering whether these are solutions in search of problems.

It seems to me that one of the reasons the Power Marketing Administrations have worked so well is because they have enjoyed well-established partnerships with their customers. As we will hear today, those partnerships have eroded over the last two years. The PMAs and DOE can do better and we are going to continue asking questions and providing oversight until they start listening.

With that, I would like to welcome Mr. Scott Corwin of the Public Power Council, who is one of today's witnesses. Mr. Corwin is a frequent witness here, representing many consumer-owned utilities that rely on the Northwest's hydropower dams, and has provided this Committee with invaluable testimony over the last decade. I welcome you, Scott, and look forward to hearing from you and our other distinguished guests.

I yield back.