

May 15, 2009

The Honorable Nancy Sutley, Chairwoman
White House Council on Environmental Quality
722 Jackson Place, NW
Washington, DC 20505

Dear Madam Chairwoman:

On behalf of Northwest Requirements Utilities (NRU) I would like to urge your support for the 2008 Federal Columbia River Power System Biological Opinion (Bi-Op). NRU is an association of over 50 public power customers that rely upon BPA as their exclusive supplier of electric energy, representing ¼ of the Agency's wholesale power sales. While serving as CEO of NRU, I am also on the Board of Northwest RiverPartners, a broad based coalition of Columbia River System river users. RiverPartners has actively participated in a broad range of activities involving FCRPS operations and fish and wildlife mitigation, including both the 2008 Bi-Op and previous Bi-Ops. Please consider the following observations regarding the 2008 Bi-Op.

Quality of the Scientific Work

The 2008 Bi-Op is based on the best scientific information available from NOAA and the Federal Action Agencies. As BPA customers we have largely deferred to the NOAA professional scientists to ensure that the proposed operation of FCRPS facilities and related mitigation measures help set the Northwest's 13 listed salmon and steelhead species on a path toward recovery. Both the scientists and policy makers within the Federal family have done an admirable job and their views are widely supported in the region. The independent scientists we have engaged have confirmed that the 2008 Bi-Op includes a very aggressive program to protect ESA listed species. We understand that your office will review these matters carefully. Our expectation is that you will find that the scientific foundation of the Bi-Op is sound.

Collaborative Process

While it was time consuming, pursuant to Judge Redden's instructions, the Federal Agencies conducted an open and collaborative process for developing the 2008 Bi-Op that is unparalleled for its involvement of stakeholders and the public. This was a major accomplishment for the region. Partially as a result of these efforts public opinion strongly favors concluding the issue of FCRPS operations and related mitigation measures, and then getting on to other pressing environmental concerns, including a comprehensive strategy to address climate change. As a result of this collaboration, BPA customers look forward to working with Tribes, States, and other stakeholder groups in implementing the Bi-Op and the Fish and Wildlife Program.

Mitigation Reasonably Certain to Occur

BPA has agreed to an unprecedented level of spending and has memorialized its commitments through Memorandums of Agreement (MOA) with States and Tribes. This planned spending is also coordinated through the Northwest Power and Conservation Council, the statutory body that has the

responsibility to develop a Fish and Wildlife program for the Northwest in close conjunction with the fish and wildlife stakeholders. BPA customers support these MOAs because we want to reach closure on this long standing litigation, and are willing to prove to the Court that there is certainty of future revenues to fund the commitments for off-site mitigation measures.

FCRPS Facilities Critical to Combat Climate Change

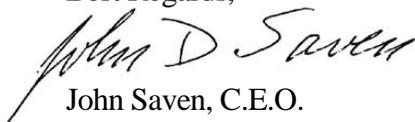
The Lower Snake River Dams produce over 1,000 aMW of energy, and more importantly 2,650 aMW of peaking capability. Hydro is the ideal resource for shaping and firming the new wind generation that is blossoming in the Columbia Gorge and other areas of the Northwest. It would be truly unfortunate to unnecessarily diminish hydro generation and as a consequence lean on thermal generation to firm up intermittent wind resources. While this environmental trade off may not be directly tied to the Bi-Op litigation, it is clearly a topic that policy makers should feel compelled to address. Within the region, we continue to be frustrated by the State of Oregon's reluctance to recognize the linkage between the FCRPS operations and climate change. Our hope is that a national strategy will emerge that is cohesive and comprehensive, and will provide meaningful guidance on the issue of climate change.

Conclusions

We are hopeful that the Administration will carefully review the 2008 Bi-Op, recognize the unprecedented financial investments that are tied to it, appreciate the critical link between the dams and capacity for wind integration, respect the collaborative process used to develop it, and conclude that the 2008 Bi-Op should be supported as written. Given the numerous financial and environmental challenges that are facing the United States in the years ahead, we need to be able to focus our attention on the critical challenges ahead of us rather than reinvestigating issues that have been fully addressed. If there is anything we can do to provide assistance, both as BPA customers and stewards of our cherished regional resources, please let us know.

Thank you for considering our views.

Best Regards,



John Saven, C.E.O.

cc: The Honorable Eric Holder, Attorney General, U.S. Department of Justice
The Honorable Ken Salazar, Secretary, U.S. Department of Interior
The Honorable Gary Locke, Secretary, U.S. Department of Commerce
The Honorable Steven Chu, Secretary, U.S. Department of Energy
The Honorable Pete Geren, Secretary of the U.S. Army
The Honorable Jane Lubchenco, Under Secretary, National Oceanic and Atmospheric Administration
Members of Northwest Requirements Utilities
Board Members of Northwest RiverPartners