
BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: S-4322.1/02

ATTY/TYPIST: KB:mos

BRIEF DESCRIPTION:

2 HJM 4016 - S COMM AMD

3 By Committee on Environment, Energy & Water

4

5 Beginning on page 1, line 1, strike all material through
6 "Washington." on page 3, line 37, and insert the following:

7 "TO THE HONORABLE GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES,
8 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF
9 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE
10 UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE OFFICE OF MANAGEMENT
11 AND BUDGET, AND TO THE HONORABLE SPENCER ABRAHAM, SECRETARY OF THE
12 UNITED STATES DEPARTMENT OF ENERGY:

13 We, your Memorialists, the Senate and House of Representatives of
14 the State of Washington, in legislative session assembled, respectfully
15 represent and petition as follows:

16 WHEREAS, The Bonneville Power Administration owns and operates over
17 fifteen thousand circuit miles of transmission lines in the Pacific
18 Northwest, constituting more than three-fourths of the high-voltage
19 transmission grid in the region; and

20 WHEREAS, The Bonneville Power Administration operates its
21 transmission system to meet its public responsibility of ensuring
22 transmission access to independent power producers and other wholesale
23 electricity providers in order to provide the region with a reliable
24 and competitive wholesale electricity market; and

25 WHEREAS, The Bonneville Power Administration and other northwest
26 transmission owners currently have limitations on their ability to move
27 power from where it is produced to where it is needed, leaving the
28 region potentially vulnerable to the same sort of transmission problems
29 that have afflicted California; and

30 WHEREAS, The Bonneville Power Administration has significant
31 limitations on its ability to move power from eastern Montana to the
32 Seattle area, from the John Day Dam area on the Columbia River to
33 Seattle, and from the McNary Dam area on the Columbia River to
34 Portland; and

35 WHEREAS, In response to last year's energy crisis, a tremendous
36 amount of new electricity generation is in various stages of planning,

1 permitting, and construction for the northwest, which will place
2 additional demands on the region's transmission system; and

3 WHEREAS, In many cases, integration of new generation will require
4 the Bonneville Power Administration to undertake major work to install
5 new equipment, such as circuit breakers, and to reinforce existing
6 transmission lines to carry the new power; and

7 WHEREAS, On a more fundamental level, the existing transmission
8 system is at or near its limit in what it can carry, which threatens
9 the Bonneville Power Administration's ability to keep the lights on;
10 and

11 WHEREAS, Wholesale power deregulation, beginning in 1992, has
12 resulted in rapid increases in the use of the region's transmission
13 system and also reduced investments in it; and

14 WHEREAS, In response to wholesale power deregulation, the
15 Bonneville Power Administration was under pressure to cut costs,
16 resulting in reducing its staff by over one thousand people and using
17 new control systems and capacitors to squeeze more performance out of
18 the existing transmission system rather than stringing new lines; and

19 WHEREAS, Today, nearly all of the margin has been squeezed out of
20 the system, making it increasingly difficult to schedule maintenance
21 activities and ensure system reliability; and

22 WHEREAS, Through its planning process, the Bonneville Power
23 Administration's Transmission Business Line had included \$1.3 billion
24 in its estimated capital budget for fiscal years 2002 through 2006,
25 which would cover the basics of replacing some aging transmission
26 facilities, reinforcing connections to existing customers, and
27 interconnecting with some new generation; and

28 WHEREAS, This estimate was made before the explosion of proposals
29 for new generation came on the scene last winter, and it now estimates
30 it will need even more money to remove constrained paths, cope with new
31 demands for power, and integrate the new generation that will be built
32 over the next few years; and

33 WHEREAS, The cost of the additional money the Bonneville Power
34 Administration needs to construct the new transmission projects will be
35 self-sustaining, paid for in part by developers of the new power
36 projects and in part by revenues expected from the increased use of
37 transmission resulting from the new generation being built; and

38 WHEREAS, The region simply cannot wait several more years until the
39 new Regional Transmission Organization, RTO West, is fully functioning

1 in its new role as the planner and ensurer of adequate regional
2 capacity; and

3 WHEREAS, The Governors of twelve western states affected by the
4 Bonneville Power Administration have universally supported its request
5 for new borrowing authority to enable that federal agency to build
6 transmission to reinforce its system; and

7 WHEREAS, The Governors in the Western Interconnection are currently
8 developing a plan to streamline and coordinate interstate transmission
9 siting and have signed a Memorandum of Understanding with five federal
10 agencies to create a framework for these agencies to cooperate with
11 states in the review of any proposed transmission lines; and

12 WHEREAS, The major challenges in siting long distance transmission
13 lines in the west have typically involved crossing federal lands;

14 NOW, THEREFORE, Your Memorialists respectfully pray that Congress
15 and the President approve an additional \$2 billion in Federal Treasury
16 borrowing authority needed by the Bonneville Power Administration for
17 capital improvements to the Federal Columbia River Power System,
18 principally for the purpose of making critical transmission
19 infrastructure investments.

20 BE IT RESOLVED, That Congress should require the Federal Energy
21 Regulatory Commission to defer to state and regional interstate
22 transmission siting processes and to not preempt state authority in
23 this area; and

24 BE IT RESOLVED, That copies of this Memorial be immediately
25 transmitted to the Honorable George W. Bush, President of the United
26 States, the Office of Management and Budget, the Honorable Spencer
27 Abraham, Secretary of the United States Department of Energy, the
28 President of the United States Senate, the Speaker of the House of
29 Representatives, and each member of Congress from the State of
30 Washington."

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