

HJM 4021 - S COMM AMD

By Committee on Natural Resources, Energy & Water

ADOPTED 04/16/2003

1 Beginning on page 1, after line 10, strike all material through  
2 "Washington." on page 3, line 2, and insert the following:

3 "WHEREAS, The State of Washington's economy is constructed on  
4 affordable and reliable electricity; and

5 WHEREAS, Energy prices in the Northwest are threatening businesses  
6 and industries, including aluminum companies; and

7 WHEREAS, The Bonneville Power Administration is proposing yet  
8 another rate increase to go into effect on October 1, 2003; and

9 WHEREAS, The proposed increase is 15% more than the current rates,  
10 which are already extremely high due to the more than 50% increase that  
11 has already occurred in the last couple of years; and

12 WHEREAS, This increase will cost the state's economy one billion  
13 dollars over the next three years; and

14 WHEREAS, Many industries moved to Washington to take advantage of  
15 low-cost hydroelectric power. They are now paying more for power in  
16 Washington than in most of their other locations in the nation; and

17 WHEREAS, Without affordable energy for these industries (aluminum,  
18 pulp and paper, aerospace, agriculture, etc.), thousands of family-wage  
19 jobs will be lost; and

20 WHEREAS, Many of these jobs are in rural and economically  
21 challenged areas. These industries are at the core of many Northwest  
22 communities and provide the foundation for numerous secondary  
23 employment opportunities and also provide substantial tax revenues; and

24 WHEREAS, The proposed rate increase will do more than jeopardize  
25 high paying jobs. The nation is suffering a severe recession and the  
26 Pacific Northwest is already the hardest hit region in the country; and

27 WHEREAS, Any increase in Bonneville Power Administration rates will  
28 only slow or prevent economic recovery as well as exacerbate the  
29 state's budget crisis; and

30 WHEREAS, The Bonneville Power Administration has the tools  
31 available to meet all of its legal obligations, including protecting  
32 fish and wildlife, without raising rates; and

1           WHEREAS, As a result of its \$500 million in prepayments to Treasury  
2 to avoid a rate increase, the Bonneville Power Administration can cut  
3 costs (not just slow its rate of growth) and utilize its newly acquired  
4 additional borrowing authority and the flexibility it has garnered; and

5           WHEREAS, This region simply cannot support an additional billion  
6 dollar hit to its economy over the next three years;

7           NOW, THEREFORE, Your Memorialists respectfully communicate their  
8 request for the Bonneville Power Administration to refrain from  
9 adopting rate increases at this time, unless absolutely necessary to  
10 preserve its bond rating, and to use other tools at its disposal to  
11 manage costs until economic recovery is in sight.

12          BE IT RESOLVED, That copies of this Memorial be immediately  
13 transmitted to the Honorable George W. Bush, President of the United  
14 States, Steven Wright, Administrator of the Bonneville Power  
15 Administration, Spencer Abraham, Secretary of Energy, Tom Ridge,  
16 Secretary of the Department of Homeland Security, the President of the  
17 United States Senate, the Speaker of the House of Representatives, and  
18 each member of Congress from the State of Washington."

EFFECT: BPA is requested not to raise its rates unless absolutely  
necessary to preserve its bond ratings.

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