Linville and Wood

## HOUSE JOINT MEMORIAL 4003

State of Washington58th Legislature2003 Regular SessionBy Representatives Wallace, Morris, Kenney, Conway, Eickmeyer,

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1 TO THE HONORABLE GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES, 2 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF 3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE 4 UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE HONORABLE SPENCER 5 ABRAHAM, SECRETARY OF THE UNITED STATES DEPARTMENT OF ENERGY:

6 We, your Memorialists, the Senate and House of Representatives of 7 the State of Washington, in legislative session assembled, respectfully 8 represent and petition as follows:

9 WHEREAS, The Bonneville Power Administration owns and operates over 10 fifteen thousand circuit miles of transmission lines in the Pacific 11 Northwest, constituting more than three-fourths of the high-voltage 12 transmission grid in the region; and

13 WHEREAS, The Bonneville Power Administration operates its 14 transmission system to meet its public responsibility of ensuring 15 transmission access to independent power producers and other wholesale 16 electricity providers in order to provide the region with a reliable 17 and competitive wholesale electricity market; and

18 WHEREAS, The Bonneville Power Administration and other northwest 19 transmission owners currently have limitations on their ability to move power from where it is produced to where it is needed, leaving the region potentially vulnerable to the same sort of transmission problems that have afflicted California; and

4 WHEREAS, The Bonneville Power Administration has significant 5 limitations on its ability to move power from eastern Montana to the 6 Seattle area, from the John Day Dam area on the Columbia River to 7 Seattle, and from the McNary Dam area on the Columbia River to 8 Portland; and

9 WHEREAS, In response to the recent energy crisis, new electricity 10 generation is in various stages of planning, permitting, and 11 construction for the northwest, which will place additional demands on 12 the region's transmission system; and

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

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

21 WHEREAS, Wholesale power deregulation, beginning in 1992, has 22 resulted in rapid increases in the use of the region's transmission 23 system and also reduced investments in it; and

24 WHEREAS, In response to wholesale power deregulation, the 25 Bonneville Power Administration was under pressure to cut costs, 26 resulting in reducing its staff by over one thousand people and using 27 new control systems and capacitors to squeeze more performance out of 28 the existing transmission system rather than stringing new lines; and 29 WHEREAS, Today, nearly all of the margin has been squeezed out of

30 the system, making it increasingly difficult to schedule maintenance 31 activities and ensure system reliability; and

32 WHEREAS, Through its planning process, the Bonneville Power 33 Administration's Transmission Business Line had included \$1.3 billion 34 in its estimated capital budget for fiscal years 2002 through 2006, 35 which would cover the basics of replacing some aging transmission 36 facilities, reinforcing connections to existing customers, and 37 interconnecting with some new generation; and

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1 WHEREAS, The Bonneville Power Administration now estimates it will 2 need even more money for fiscal years 2003 through 2007 to remove 3 constrained paths, cope with new demands for power, and integrate the 4 new generation that will be built over the next few years; and

5 WHEREAS, The cost of the additional money the Bonneville Power 6 Administration needs to construct the new transmission projects will be 7 self-sustaining, paid for in part by developers of the new power 8 projects and in part by revenues expected from the increased use of 9 transmission resulting from the new generation being built; and

10 WHEREAS, The region simply cannot wait several more years until the 11 new Regional Transmission Organization, RTO West, is fully functioning 12 in its new role as the planner and builder of new transmission; and

13 WHEREAS, The Governors of twelve western states affected by the 14 Bonneville Power Administration have universally supported its request 15 for new borrowing authority to enable that federal agency to build 16 transmission to reinforce its system; and

WHEREAS, The Governors in the Western Interconnection have signed a Memorandum of Understanding with five federal agencies to create a framework for these agencies to cooperate with states in the review of any proposed transmission lines and have developed a protocol to streamline and coordinate interstate transmission siting as a step toward implementing the memorandum; and

23 WHEREAS, The major challenges in siting long distance transmission 24 lines in the west have typically involved crossing federal lands;

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

31 BE IT RESOLVED, That Congress should require the Federal Energy 32 Regulatory Commission to defer to state and regional interstate 33 transmission siting processes and to not preempt state authority in 34 this area; and

35 BE IT RESOLVED, That copies of this Memorial be immediately 36 transmitted to the Honorable George W. Bush, President of the United 37 States, the Honorable Spencer Abraham, Secretary of the United States

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1 Department of Energy, the President of the United States Senate, the

2 Speaker of the House of Representatives, and each member of Congress 3 from the State of Washington.

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