
**Technology, Energy &
Communications Committee**

HJM 4018

Brief Description: Requesting electricity rates to not be increased.

Sponsors: Representatives Sells, Kenney, Dunshee, Haler, Ormsby, Nixon, Linville, Fromhold, Hinkle, Roberts, Flannigan, McCoy, Holmquist, Appleton, Dunn, Morrell, Ericks, Green, Hasegawa, Williams, Blake, Upthegrove, Conway, Chase, Darneille, Takko, Haigh, Skinner, Hankins and Santos.

Brief Summary of Bill

- Requests that the President of the United States abandon his proposal to increase the northwest's electricity rates and that Congress refuse to approve it.

Hearing Date: 2/24/05

Staff: Sarah Dylag (786-7109).

Background:

The Bonneville Power Administration (BPA) is a federal agency under the United States Department of Energy. The BPA provides about half the electricity used in the Northwest. The BPA owns and operates more than three-fourths of the region's high-voltage transmission system with over 15,000 miles of line covering 300,000 square miles. The area includes primarily Washington, Oregon, Idaho, and Western Montana and portions of contiguous states. The BPA markets energy and transmission at cost, rather than at market prices.

On February 7, 2005, the President of the United States sent his 2006 budget to the United States Congress. Included in that budget is a proposal that would require the BPA to set rates based on market prices instead of the actual cost of producing electricity.

Summary of Bill:

The Legislature requests that the President abandon the proposal to increase the northwest's electricity rates until they are equivalent with market rates throughout the country.

The Legislature requests that Congress refuse to approve the shift to market rates.

Appropriation: None.

Fiscal Note: Not requested.