



TESTIMONY OF BETH VARGAS DUNCAN, EXECUTIVE DIRECTOR
OREGON MUNICIPAL ELECTRIC UTILITIES ASSOCIATION

HOUSE COMMITTEE ON RURAL COMMUNITIES, LAND USE,
AND WATER

APRIL 16, 2015

Chair Clem, Vice Chairs Helm and Post, and Members of the Committee, I am Beth Vargas Duncan, Executive Director of the Oregon Municipal Electric Utilities Association. I appreciate the opportunity to be here today and express OMEU's concerns regarding HJM 15.

Who are we?

Eleven of Oregon's municipally owned and operated electric utilities joined to form the Oregon Municipal Electric Utilities Association (OMEU) via an intergovernmental agreement (IGA) authorized by ORS 190. OMEU supports the collective interests of its members and their customer owners at the state legislature, state agencies, various trade associations and the Bonneville Power Association (BPA). A twelfth municipally owned electric utility in Oregon, the Eugene Water and Electric Board (EWEB), maintains independent representation and coordinates with OMEU.

OMEU Priorities – Affordable, Reliable and Safe Energy

Starting over 100 years ago, advocates of public power fought to form municipal utilities. Today, municipally owned utilities are governed by their city council or utility board comprised of community members who set rates, regulatory policies, develop programs and services and respond to the specific customer needs – with the primary focus of maintaining current authorities enabling delivery of affordable, reliable and safe electricity.

- **Background of the Dalles Lock and Dam**

The Dalles Lock and Dam, located 192 miles upriver from the mouth of the Columbia River, is the fourth largest federal hydropower project in the Columbia River Basin and is one of the top ten largest hydropower dams in the United States. Completed in 1957 at the cost of \$299 million, the dam has generated more than 9.2 billion kilowatt hours of electricity and passed up to 10 million tons of river cargo annually since its construction. In addition to providing hydropower, the Dalles Lock and Dam provides a reliable water source for navigation, flood mitigation and recreation.

While OMEU respects the concerns of the tribes, we are concerned about the significant financial and environmental impacts of lowering the water level at the Dalles Dam. .

- **Significant financial impact**

First, lowering the water level, at the Dalles Dam even for the one to two week period, could have a significant financial impact on utilities and rate payers. While the Dalles Dam has the generating capacity of approximately 2000 megawatts, limited power would be generated by the Dam during that one to two week period. Instead, power would have to be purchased by other sources.

- **Increased carbon-generated power**

Second, in order to replace power lost by lowering the water level, it is likely that renewable, clean, hydropower from the Dalles Dam would be replaced by purchasing fossil fuel generated power with carbon emissions. Beyond fiscal impacts, this use of fossil fuels would have environmental costs as well.

- **Harm to salmon and other wildlife**

Reducing the water level in Lake Ciello will also have other environmental impacts. Chinook salmon, coho salmon, sockeye salmon, steelhead trout, American shad, and lamprey all use fish ladders on the Columbia River at the Dalles Dam. Lowering the water level could prevent those species from using the fish ladders for migrating and renewing fish stock along the Columbia River.

Please do not hesitate to contact me with any questions or concerns.

Thank you,

Beth Vargas Duncan, Executive Director of the Oregon Municipal Electric Utilities Association