

Mrs. Evelyn Morine personifies the New Jersey State Federation of Colored Women's Club's motto "Work and serve the hour. Lift as we climb." ©

ENERGY IN THE PACIFIC
NORTHWEST

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 11, 1980

© Mr. SWIFT. Mr. Speaker, years ago the American folk singer Woody Guthrie sang about one of the wonders of the Pacific Northwest: "Roll on Columbia, Roll On," Guthrie sang of the river that slices through my State and rolls on to the Pacific Ocean. As it was in Guthrie's time, the Columbia River is still a magnificent resource. It has provided a foundation for the area's growth and stability. The Federal dams along the river provide more than half the electrical power sold in the region at the wholesale level. But that bountiful supply is being rapidly strained to the limits. There will not be another Grand Coulee Dam. And for public utilities in the region—many of whom are totally reliant on the Bonneville Power Administration—the growing strain on the Federal power system is creating an ominous problem. While our region's per capita energy use is lower than the national average, our unique geography makes us more than twice as dependent on electrical power as the rest of the Nation. And any serious shortage in electrical power can hurl us into a decade of chaos, each utility madly scrambling to get whatever power it can at whatever the price.

I am introducing a bill that attempts to strike a balanced, well-thought-out approach to solving that problem. It is a totally revised version of the Pacific Northwest Electric Power Planning and Conservation Act, a bill representing 4 years of work by various interests in my region. It represents a broad agreement among those interests, and it reflects the suggestions of the region's public utilities and consumer cooperatives.

My region has come to Congress because the problems it faces require a uniquely drawn Federal solution. There are two reasons. First is the question of how to fairly allocate the Federal power to the eligible public bodies. Second, our region's problems know no State boundary. It is a problem that crosses from Washington to Oregon to Idaho to Montana. The very complexity of these jurisdictions requires a congressional solution. To that end the Senate passed a version of this bill in August 1979. There has been legitimate criticism of that bill, S. 885, and in the ensuing months we in the House have attempted to address those concerns. I am happy to say that the vast majority of those problems have been solved. In a moment, I will highlight those differ-

ences and what we have done to solve them. However, let me quickly touch on what the legislation we are proposing does.

Basically, the bill will set up a regional planning council with members from each of the four States. They will develop a 20-year plan to assure a stable, efficient energy supply in the Pacific Northwest. Within that plan will be a system for allocating the power from Federal dams and assuring that public agencies have whatever additional power they need provided in the most efficient, cost-effective manner. The allocation system will also address the growing disparity in rates paid by residential and farm customers of private utilities as compared to neighboring public utilities. To meet this allocation system, the bill lays out a set of carefully drawn procedures and priorities for acquisition of new resources. Foremost among those will be conservation, followed in order of priority by renewable resources, cogeneration and other more conventional types of generation. To these ends, the Senate and House bills are very similar. However, there are very important differences that I am confident resolve some of the legitimate concerns raised by groups within the region and around the Nation.

Foremost among these concerns was the Senate bill's treatment of traditional public power preference access to both supply and cost of power from the Federal projects. This concern was voiced by public utilities in the Pacific Northwest, represented by their umbrella agency, the Public Power Council. The PPC wanted to make sure there was adequate protection of public power access granted in the 1937 Bonneville Act. I am happy to say that traditional preference is protected in the bill I have introduced. This is thanks to the tireless efforts of the PPC in perfecting its amendment dealing with rates, allocation formulas, and sales of power from the Federal base system. The PPC's amendments, included in this bill, have won the approval of both the American Public Power Association and the National Rural Electric Cooperatives Association, two longstanding champions of public power.

Basically, what the PPC's amendments guarantee is that all sales are specifically subject to the preference and priority provisions of the original Bonneville Act. Second, the amendments assure preference customers to the entire output from Federal resources. Third, the amendments assure that investor-owned utilities may be restricted in accordance with the provisions of the original Bonneville Act to protect public power. These are significant differences from the Senate-passed bill. They are differences—along with many other changes made in this bill—that the PPC feels enforces their historic claim to the federally generated power.

In addition to the preference question, this bill makes a major departure

from the Senate bill in the composition and procedures of the planning council. The first obvious change is the very structure of the council. The Senate bill had a five-member council—one member from each State and the BPA Administrator—which the Justice Department said was quite probably unconstitutional. My bill not only corrects the constitutional problem, but provides a broader base, establishing a proportional 11 member council. My bill also lays down a set of deadlines and a strict procedure for the council, making sure that decisions are timely and consistent with the plan.

Along with questions over preference access and council structure, another concern has been conservation. My bill lays down a road map that will put my region in the forefront of conservation and renewable resources. Let me digress here, and say conservation and renewables are important for my region beyond philosophical reasons. Projections indicate a serious shortfall in electrical power possibly as soon as 1983. The lead time for building large powerplants ranges from 10 to 15 years. Given that, there is no hope these plants could come on line in time to meet a shortage 3 years from now. The only resources available within that time frame are conservation and small scale, direct application renewable resources. Beyond merely saying there should be conservation, this bill will make sure that conservation is maximized.

First, it provides a \$1.25 billion fund, collected solely from the region's ratepayers, to accelerated development of conservation and consumer owned renewable resources.

Second, it will provide technical and financial aid to utilities and local governments who might otherwise not have the expertise to develop effective conservation programs.

Third, the bill establishes billing credits and a funding mechanism to insure local utilities can and will develop such programs. In addition, the bill will establish a point man in the Bonneville Power Administration whose sole job will be to maximize conservation and renewable resources. Pulled together, these steps can save our region hundreds of megawatts—megawatts that will be the cheapest megawatts ever seen.

Finally, my bill makes clear that there is no obligation on the Federal Treasury. Our region is not asking for a Federal handout. It is asking Congress to let the people of the Pacific Northwest solve their own energy problems in a constructive manner.

In many ways, what we are now asking is very similar to the challenge that my generation's fathers and grandfathers brought before this body more than 40 years ago. We are fortunate for their vision. They saw that the Columbia River could be harnessed into a resource to irrigate our arid farm lands and provide power for our economic well-being. Congress re-

sponded then, creating the Bonneville Power Administration and setting up a structure to help the region prosper.

Mr. Speaker, today we are asking nothing less and nothing more. The challenge before us is whether we can effectively, rationally meet our region's power demands or whether—in absence of legislation—we will be thrown into a decade of chaos and what one Governor predicted would be a series of holy wars over Federal power. I am confident the bill I introduce today can avert that decade of chaos, can bring a truce before the first legal shot of that holy war, and can make the Pacific Northwest an energy model for the rest of us to follow.

Thank you.●