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Dam removals could cost millions

BPA's electricity users could pay up to \$550 million a year if four lower Snake River dams were removed

By Rocky Barker - Idaho Statesman

The Bonneville Power Administration estimates Northwest electricity ratepayers could pay \$400 million to \$550 million a year to replace the power capabilities of the four lower Snake River dams if those dams were removed.

BPA markets about 40 percent of the electricity consumed in the Pacific Northwest, including 20 percent of the power in Idaho. Treasure Valley residents and other customers of Idaho Power Co. are not directly affected by BPA rates or costs.

BPA's analysis is higher than environmental and sport fishing groups estimate. State, tribal and U.S. Fish and Wildlife Service biologists say removing the four dams in Washington is the best and perhaps only way to restore wild salmon runs in Idaho and eastern Oregon.

"These dams produce enough electricity to supply a city about the size of Seattle at a very low cost," said Steve Wright, BPA administrator. "Their output cannot be replaced easily or inexpensively."

The Northwest Energy Coalition, a group dedicated to energy conservation and renewable energy, estimates that replacing the dam's electricity with conservation and wind power would increase utility costs between \$79 million and \$170 million — a 65-cent- to \$2-a-month increase for residential customers. Its estimate came in a report released in 2006 by dam-removal advocates called Revenue Stream.

Opponents of dam removal have been critical of those numbers.

"Removing the lower Snake River dams would create more problems than would be solved," said Terry Flores, executive director of Northwest RiverPartners, a group of Northwest businesses that opposes dam removal.

Now the Independent Economic Analysis Board, convened by the Northwest Power and Conservation Council, supports critics' claims.

"The Revenue Stream report underestimates hydropower replacement costs by enough to invalidate their main result that the region could save money by removing the dams," the board said in a report. But it called for new, updated economic studies.

"We applaud the IEAB's call for additional economic study of the removal of the four lower Snake River dams," said Nicole Cordan, policy and legal director with Save Our Wild Salmon.

The electricity BPA markets is produced at 31 federal dams in the Northwest and one nuclear plant, and is sold to more than 140 Northwest utilities including rural cooperatives and the city of Idaho Falls.

These wholesale customers pay \$27.30 per megawatt hour or 2.73 cents a kilowatt hour. Removing the dams would cost an extra \$7 to \$9 a megawatt hour, BPA spokesman Scott Simms said. These public utilities have to add the costs of administration and transmission to their rates.

A typical residential power customer of a utility that buys all its power from BPA uses 1,100 kilowatts hour of power a month and would pay an additional \$7.70 to \$9.90 monthly, using BPA estimates.

Reps. Jim McDermott, D-Wash., and Tom Petri, R-Wis., plan legislation that requires the Government Accounting Office to conduct a comprehensive analysis on the economic effects of removing the dams and restoring salmon.

To offer story ideas or comments, contact reporter Rocky Barker at rbarker@idahostatesman.com or 377-6484.