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Snake dam removal could be costly

BPA study debunks 'Revenue Stream' report

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A new study released by Bonneville Power Administration estimates removing the lower Snake River dams called for by some salmon advocates could cost Northwest ratepayers \$400 million to \$550 million annually.

That is the cost of replacing the power capabilities of the four dams, a BPA news release said.

The BPA analysis stands in contrast to a report released in November by environmental and sport fishing groups titled, "Revenue Stream: An Economic Analysis of the Costs and Benefits of Removing the Four Dams on the Lower Snake River."

Revenue Stream was produced without input from BPA, and its conclusions do not reflect the full value of the dams in terms of power capabilities, the news release said.

"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."

"Revenue Stream concludes the dams could be ripped out, taking out their hydropower and destroying the Northwest's water transportation system, by which commodities destined for export market are hauled to the coast, and somehow it miraculously wouldn't cost anything," said Norm Semanko, spokesman for the Coalition for Idaho Water. "Revenue Stream isn't worth the paper it's printed on."

The four Lower Snake dams provide a lot of benefits, Semanko said.

"The BPA analysis is welcome news. It injects some reality back into the debate. There's no scientific proof ripping out those dams will save the salmon, and there are a lot of studies out there saying the same thing, all countering what the environmentalists say," he said.

2002 Corps EIS

Revenue Stream was based on a 2002 environmental impact statement prepared by the U.S. Army Corps of Engineers, said Bert Bowler, native fisheries director for Idaho Rivers United.

"The Corps EIS talked about using natural gas turbines and thermal plants. There's a lot of new information out there today that we need to take a look at, such as renewable energy sources, wind generation and non-fossil fuels," Bowler said.

"We think power generation in general could be done cheaper. There are also conservation and efficiencies that could be applied," he said.

"It's all a matter of debate," said Bowler.

All the new information needs to be put on the table for a detailed, objective reassessment of the costs and benefits of what is being spent to save salmon, he said.

"That's why we support the Salmon Planning Act, which should be introduced in the U.S. House of Representatives soon. It calls for a complete study by the General Accounting Office of all these things," he said.

Members of the Northwest's congressional delegation have sent letters to all other Republicans asking them not to sign on to the Salmon Planning Act, said Semanko.

"Supporters of that bill can soft-pedal it all they want, but the bottom line is that they want the dams removed. They have a real uphill battle to convince the region, Congress and the President that this kind of dramatic change needs to be made," Semanko said.

Accurate numbers

In the BPA news release, agency spokesmen said "Revenue Stream" concludes ratepayers and taxpayers would be economically better off without the dams over a 10-year period. When accurate power numbers are used in the calculation, however, net benefits claimed in the report become a net cost of \$1.5 billion to \$3.8 billion over 10 years.

According to BPA's analysis, the \$79 million to \$170 million in replacement power costs reported in "Revenue Stream" are too low. The publication understates the replacement energy costs and does not address costs associated with replacing the capacity capabilities of the dams.

The four lower Snake River dams have the ability to generate up to three times their typical output for short periods of time when consumer demands for electricity are very high. Even in an average year, the 1,022 average megawatts of emission-free energy produced by the dams represent up to 15 percent of BPA's total power supply portfolio, the BPA statement continued.

The dams also provide operating flexibility necessary to meet the constant fluctuations that occur in electricity we use, the news release said. In addition, the dams are helpful to fill in behind intermittent sources of power such as wind and provide the region with electricity reserves that help maintain overall system reliability.

The 2002 Corps EIS evaluated dam breaching and three other alternatives to help juvenile salmon navigate the four lower Snake River dams, the news release said. The EIS found that breaching the dams would cost Northwest ratepayers \$373 million annually and generate \$106 million a year in benefits and avoided costs in 1998 dollars over a 100-year period. Since the EIS was released, estimated replacement power costs have increased substantially. In today's dollars, the estimated replacement cost cited in the EIS would increase by roughly a factor of two, the BPA news release said.

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