



PUBLIC UTILITY DISTRICT NO.2

OF

PACIFIC COUNTY

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U.S. Army Corps of Engineers

U.S. Entity
Columbia River Treaty
P.O. Box 3621
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Public Utility District No. 2 of Pacific County is an interested party in the Columbia River Treaty. The District represents some of the 6.4 million Pacific Northwest customers who depend upon power produced by the Federal Columbia River Power System.

P.U.D. No. 2 of Pacific County is extremely disappointed in the June 27th working draft of a regional recommendation concerning the future of the Columbia River Treaty with Canada. The working draft is seriously flawed and it should not serve as the basis for a final recommendation to the Department of State.

The District supports the principals for the treaty outlined by the Columbia River Power Group:

- 1) the Canadian Entitlement payment made to Canada for downstream power benefits should not exceed one-half of the power benefits achieved through a coordinated United States/Canada operation as compared to a non-coordinated operation.
- 2) any payments for Columbia River flood control should be the responsibility of the taxpayers of the United States. This is consistent with the flood control funding approach employed throughout the United States.
- 3) an equitable correction to the Canadian Entitlement should not lead to an increased ecosystem mitigation requirement. The draft recommendation fails to recognize the substantial investments in ecosystem functions this region has already made for decades outside the Treaty. Regional electric customers have invested billions in fish protection efforts, and each of the entities providing the Canadian Entitlement already have robust environmental mitigation plans embedded in their project authorizations. Along with the cost of the Entitlement return, this mitigation is funded by utilities and their customers.

Thank you for considering these views endorsed by P.U.D. No. 2 of Pacific County. The District looks forward to a final recommendation for the State Department that represents all of our region's interests in the Columbia River Treaty.

Sincerely,

Douglas L. Miller, P.E.
General Manager