GRAND COULEE PROJECT HYDROELECTRIC AUTHORITY

32 "C" Street NW, Room 305

P.O. Box 219, Ephrata, WA 98823-0219 509/754-2227 Fax: 509/754-2425

Mr. Stephen Oliver U.S. Entity Coordinator Bonneville Power Administrator United States Entity P.O. Box 3621 Portland, Oregon 97208-3621 Mr. David Ponganis U.S. Entity Coordinator U.S. Army Corps of Engineers United States Entity P.O. Box 3621 Portland, Oregon 97208-3621

Dear Mr. Oliver and Mr. Ponganis:

On behalf of the Grand Coulee Project Hydroelectric Authority (representing the East Columbia Irrigation District, South Columbia Irrigation District, and the Quincy Columbia Irrigation District) we are taking this opportunity to provide you with our comments on the Draft Recommendation for the future of the Columbia River Treaty. Collectively we represent farmers that irrigate approximately 680,000 acres in the Columbia Basin Project, with an additional 80,000 acres in the process of being developed. The farm gate value in the state of Washington alone is \$1.2 billion and represents 32,000 jobs. We have water rights that come directly from the Columbia River system and have additional water rights to fully develop the Columbia Basin Project in the future. Therefore we believe we have a strong vested interest in future of the Columbia River Treaty.

Grand Coulee Project Hydroelectric Authority (GCPHA), acknowledges the outreach efforts of the U.S. Entity to better understand the concerns and interests of a very broad range of stakeholders, such as electric customers, irrigators, water supply, and navigation interests in trying to develop a regional consensus for a recommendation to the Department of State. Understanding the difficulty in achieving this lofty goal, GCPHA believes that the principal concerns in the draft are not adequately addressed. First, and foremost, is the need to address rebalancing the Canadian Entitlement. While reaching consensus on many issues seems unlikely at this point in time, there does seem to be consensus on the need to focus on a rebalancing of the Canadian Entitlement. This is, and should remain the most important issue to addressed, in regards to the Columbia River Treaty. The goal in rebalancing the Canadian Entitlement should be to achieve an outcome where Canada does not receive more than one-half of the incremental power benefits provided in a coordinated operation with Canada.

Secondly, if ecosystem functions are to be included, then certainly there should be a full accounting of significant ongoing efforts in the Columbia River and its tributaries for fish and wildlife in any proposal to expand the Treaty. As written in the Draft, references to inclusion of ecosystem is overly broad and without definition as to what would be included or where funding might come from. It also does not address what impacts any additional ecosystem functions might have on existing programs currently supported in the region. GCPHA believes that because of the vagueness and extremely broad references in the draft to ecosystem, that this imposes a great deal of risk on a very broad spectrum of interested stakeholders that have not been included in the discussions that have taken place with the Sovereign Review Team, where those stakeholders were not involved. GCPHA continues to be disturbed that in all of the drafts there seems to be a shift in focus to an inclusion of ecosystems as the primary purpose of the Treaty. While it might be appropriate to include ecosystem impacts if there is to be modification to the treaty, it seems that the U.S. Entity loses sight of the original primary purposes of the Treaty which are the Canadian Entitlement and Flood



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Control. GCPHA strongly encourages the U.S. entity not to lose sight of those two primary purposes at the expense of adding ecosystem as a third primary purpose.

If there are to be amendments or modifications to the existing Treaty, then GCPHA suggests the following items for consideration.

- Flood Control needs to be addressed as one of the most significant issues and should always remain as one of the two most important objectives of any modernized Treaty. GCPHA places a high priority on public safety and believes that maintaining flood control protection at current levels should be one of the main objectives of the Treaty. Funding for flood control measures should be consistent with national flood risk policy.
- Non-treaty storage agreements could be included in a modernized Treaty for the benefit of flood control as well as for ecosystem impacts.
- GCPHA believes that water supply, has <u>not been</u> appropriately addressed, especially as it pertains to irrigation and pre-existing water rights issues. In fact irrigation has not even been mentioned in the drafts. Any modernized treaty should change flows to the detriment of existing water rights established under state or federal law. Additionally, any future decisions pertaining to water supply must include the stakeholders of these pre-existing rights. Irrigation and navigation need to be at the table in any future discussion that would take place that could impact water supply and water flows.
- GCPHA strong believes that the language in the June 27 working draft recommendation regarding "other options" if agreement on key principles in not obtained by next year should be reinserted in the Final Recommendation of the U.S. Entity to the State Department. The Treaty contemplates termination after sixty years, and this option should remain available in engaging with Canada.

In conclusion, GCPHA believes that Draft Recommendation does attempt to address many issues raised by our organization as well as many other stakeholders in the region. However, we believe that the U.S. Entity must put the Canadian Entitlement back on top as the highest priority for consideration as this issue can only be addressed in negotiations with Canada. The Canadian Entitlement and flood control protection are the primary issues that can be dealt with and should be dealt with in negotiations with Canada. GCPHA believes most of the other issues are of a domestic nature and should be dealt with in a domestic forum.

Thank you for all of your outreach efforts and for the other opportunities GCPHA has been provided to comment on this very important matter. We would encourage the U.S. Entity and the Department of State to continue to work with the Columbia River Treaty Power Group, of which GCPHA is a member. GCPHA remains ready to participate in any all efforts in reaching a truly regional recommendation.

Respectfully submitted,

Tim Culbertson Secretary-Manager Grand Coulee Project Hydroelectric Authority