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I am writing to share my concerns with the Working Draft of a Regional Recommendation released by the U.S. Entity on June 27, 2013. As the manager of Alcoa's Wenatchee Works, I'm concerned that the Draft Recommendation will harm our region's economy and manufacturing sector.

Alcoa is one example of a company in our state, and my community, that depends on power produced by the Federal Columbia River Power System. Alcoa provides 1,200 direct family wage jobs in Washington and studies have indicated another 3,480 indirect jobs are supported by Alcoa's presence across the state. The Wenatchee facility alone has been in operation for 61 years and pays an average employee wage of \$114,048 including benefits. These are high-wage, high skilled jobs that are good for Washington and our local communities that depend on the tax-base for education, social services, infrastructure and other community activities. Alcoa is a good corporate citizen in our communities and has been recognized for its charitable contributions to support local projects and the volunteer activities.

We will be impacted by the decisions you take regarding the future of the Columbia River Treaty. Alcoa believes the June 27th Working Draft of a Regional Recommendation is flawed and should not serve as the basis for a final Columbia River Treaty recommendation to the Department of State.

We support the principals for the Treaty outlined by the Columbia River Power Group. First, the Canadian Entitlement payment made to Canada for downstream power benefits should not exceed one-half of the actual power benefits achieved through a coordinated United States/Canada operation as compared to a non-coordinated operation. Second, 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. Third, 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 our 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 Canadian Entitlement return, this mitigation is funded by utilities and their customers.

Thank you for considering our views. I encourage the U.S. Entity to work toward a final Columbia River Treaty recommendation for the State Department that better represents all interests affected by the Treaty.

Sincerely,

Don Walton
Plant Manager
Alcoa Wenatchee Works