

Owned by the People We Serve

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Stephen R. Oliver Bonneville Power Administration United States Entity P.O. Box 3621 Portland, OR 97208-3621 David Ponganis U.S. Army Corps of Engineers United States Entity P.O. Box 3621 Portland, OR 97208-3621

Dear Mr. Oliver and Mr. Ponganis,

We at the Clatskanie People's Utility District (PUD) appreciate the opportunity to provide comments regarding your June 27, 2013 Columbia River Treaty Review Working Draft Recommendation.

The PUD purchases most of the electricity delivered to our citizen-owners and businesses from the Bonneville Power Administration. Therefore, we are very interested in the Columbia River Treaty and believe that any decisions made by the United States regarding the future of this Treaty with Canada will have long-lasting impacts on our communities and the rest of the region.

We are 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 should not serve as the basis for a final recommendation to the Department of State.

We support the following principals outlined by the Columbia River Power Group for the treaty. First, 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. Second, any payments for Columbia River flood control should be the responsibility of the taxpayers of the United States, consistent with the flood control funding elsewhere. Third, an equitable correction to the Canadian Entitlement should not lead to an increased ecosystem mitigation requirement.

The draft recommendation does not recognize the massive investments in ecosystem functions this region has already made for decades and continues to make, all of which are outside the Treaty. Regional electric customers have invested billions in fish and wildlife protection efforts. All of the entities providing the Canadian Entitlement have robust environmental mitigation

plans required by their project authorizations. Along with the cost of the Entitlement return, this mitigation is funded by utilities and their customers.

The PUD recommends that the draft recommendations be revised to achieve a better balance that represents the interests of the over 6.4 million people living in the people living in the Pacific Northwest. We look forward to a final recommendation for the State Department that represents all of our region's interest in the Columbia River Treaty.

Sincerely,

Don Hooper

Board President