

March 28, 2023

The Honorable Thomas J. Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Vilsack:

We write to you today on behalf wheat farmers and agricultural producers to voice our concerns with the current state of the mediation regarding the Federal Columbia River Power System, which includes irrigation activity and barge transport through the dams on the Columbia Snake River System (CSRS). As you may be aware, the decades-long litigation regarding Pacific Northwest salmon in the Columbia River Basin is currently under a stay agreement until August 31, 2023. During the stay, the primary parties to the litigation entered a mediation process led by the White House Council on Environmental Quality (CEQ) and the Federal Mediation & Conciliation Service (FMCS) in the hopes of reaching a settlement. Many of us are members of an organization that has served as a defendant intervenor since the beginning of this litigation nearly 30 years ago, and we have been active participants in the case on the side of the United States Government (USG).

As part of the stay agreement, the federal government committed to “exploring” removal of the four Lower Snake River dams (LSRD). Prior to the last several months, the USG has never supported a position of dam breaching; however, we are increasingly concerned that the USG position is shifting to support a dam breaching action that would completely devastate the Pacific Northwest agricultural community. Dam breaching would eliminate irrigation from the pool behind Ice Harbor Dam and would remove barge access for our farmers, requiring them to turn to either rail or truck to move their product. As you well know, neither form of transportation is as safe, efficient, or environmentally friendly as barge navigation.

During the last several years the U.S. rail system has faced significant congestion and supply chain bottlenecks. The Columbia Snake River System moves more than 60 percent of the nation’s wheat, as well as a large amount of corn, soybeans, lumber products, and crop inputs – with harvested crops coming to the Pacific Northwest from as far as the Midwest via rail. Eliminating barging as an option for our Northwest goods would increase demand on limited Class 1 railroad capacity and exacerbate an already tenuous supply-chain balance across all cargo classes. This means further unpredictability for intermodal cargo, energy products, and agricultural movements. Additionally, the logistics of expanding rail access is not feasible in our Snake and Columbia River corridors due to the geographical landscape, cultural and historic land importance, and strict regulatory processes.

It is important to note that barging also provides an important competitive check on the rail system. Losing barge access would give railroads the power to raise rates further, which will affect the long-term competitiveness of U.S. wheat exports moving to global markets. As we saw in the April 2021 U.S. International Trade Commission [report](#) on, “The Effects of Rail Prices on U.S. Agricultural Exports” higher rail transportation costs are often transferred to the producer, reducing the incomes and profit margins of producers and negatively affecting the competitiveness of U.S. grain exports. The report estimates that rail transportation may account for more than 40 percent of the price of wheat.

These types of rising costs ultimately put small family farms out of business. As you very much understand, farmers are already facing significant increases in the cost of production. Fertilizer prices alone are up 12 percent in the last year, and while some operations can absorb increased costs, at the end of the day, smaller and family farms would bear the brunt of these increases and could be forced to shut down altogether. Increased costs to farmers due to a dam breaching scenario would only intensify the challenges we already face.

It is also important to note the role that the Snake River dams play in irrigating more than 50,000 acres of Northwest crops. The Columbia Basin is one of the most productive agricultural areas in the world. The variety of crops we produce is second only to California. Washington State alone produces more potatoes, apples, and corn per acre than any other state in the nation.

Removing acres irrigated by Ice Harbor Dam, located on the Snake River, would eliminate enough apples to feed 18 million people, sweet corn to feed 19 million people, potatoes to feed 6.4 million people, and so on. The farms irrigated by this pool directly and indirectly drive up to \$2 billion in annual economic value and support more than 10,000 jobs. You cannot measure the economic impact of dam removal solely on the impact to our irrigated land value. This has been done in the past, but land value is just a tiny fraction of the overall impact. It does not capture the devastating effect removal of these dams would have on the overall American economy and food security. In other words, any actions taken that impact these farms will have a reverberating effect on millions of Americans, not just the local community that produces the food.

We strongly request that you engage on this issue, to provide an added USG perspective at the table to CEQ, the FMCS and others. Our concern as deeply affected stakeholders is the failure of USG to take the full regional and national agricultural and economic impacts of a pro-dam removal position into account. Despite our concerns, and many others being raised repeatedly throughout this process, the USG participants appear to be looking at this issue solely through the lens of salmon recovery and not through the greater public policy objectives of the Biden Administration such as food security, clean energy, de-carbonized transportation, infrastructure capabilities, environmental justice, or international trade objectives.

We therefore respectfully ask that you consider and respond to the following questions regarding LSRD removal in as timely a manner as possible. This process is moving very quickly, and it is important for us to understand the full position of the USG, including the Department of Agriculture, on this issue.

- The removal of the 4 LSRD will inevitably result in a significant reduction in agricultural production in the Pacific Northwest (PNW) from both irrigated and unirrigated lands due to the loss of irrigation water as well as supply chain disruptions and cost increases. How are such outcomes consistent with USDA's priority to "work every day to strengthen the American agricultural economy" (<https://www.usda.gov/farming>)?
- The removal of the 4 LSRD will by definition eliminate barging as a transportation mode for moving PNW grain into the global supply chain, forcing growers to depend on increased rail and trucking. How is such an outcome consistent with USDA's stated priority, "to transform our nation's food system to create more options for producers and consumers and improve the resiliency of our food supply chain" (<https://www.usda.gov/priorities>)?

- The Columbia Snake River System trade gateway transports 60 percent of the nation’s wheat export and is part of the fully integrated inland and deep draft transportation system. An action such as dam breaching would have rippling effects throughout this trade gateway, likely resulting in export reductions. How is such a reduction consistent with USDA’s stated priority of “Creating More, Better, and New Market Opportunities” including overseas markets (<https://www.usda.gov/priorities>)?
- How is such a reduction in food exports consistent with The Joint Declaration of Agriculture Exporters at the June 2022 Summit of the Americas Agricultural Producers stating that one-third of the world’s food is produced in the Americas, and the current global food crisis is an opportunity and responsibility for the region to step up to supply a greater share of the world’s commodities and the United States commitment during the Summit to work together to increase food production for export, increase fertilizer production and transportation, and to improve agriculture efficiency through technical solutions and information exchanges?

In closing, we feel it is important to also recognize that we strongly consider ourselves good stewards of the environment. We support broader salmon recovery throughout the Columbia River basin and are actively looking for areas where we can support science-based efforts by the states, federal government, and Tribal Nations. Our Lower Snake River dams have state of the art fish passages, and the Army Corps is continuously looking at how they can improve their efforts to get the salmon returns desired by so many in our region. We support those efforts and many more throughout the basin, but we cannot support the removal of the Snake River dams and this critical trade gateway for the region’s and nations agricultural products.

Thank you for your leadership on our issues in so many areas, and for considering these questions going forward. We look forward to your response.

Sincerely,

AgriNorthwest
 Alмота Elevator Company
 Columbia Grain
 Highline Grain Growers
 Idaho Farm Bureau
 Lewis and Clark Terminal Association
 McGregor Land and Livestock
 Mid Columbia Producers
 Montana Grain Growers Association
 Morrow County Grain Growers
 Northwest Grain Growers

Oregon Farm Bureau
 Oregon Wheat Growers League
 Pacific Northwest Farmers Cooperative
 Pomeroy Grain Growers
 TEMCO
 The McGregor Company
 United Grain Corporation
 Washington Association of Wheat Growers
 Washington Farm Bureau
 Washington Grain Commission
 Washington State Potato Commission