Questions for the Record Submitted to the Honorable John Hairston

QUESTIONS FROM CHAIRMAN CLIFF BENTZ

- Q1: In mid-January, the Pacific Northwest region experienced an Arctic blast that led to extreme weather conditions inches of freezing rain and snow and sub-zero temperatures brought the entire region to a standstill. While many electric utilities experienced outages, the region itself never ran out of available power. This is largely due to the reliability and dispatchability of the Lower Snake River Dams. BPA indicated that the four Lower Snake River Dams played a major role keeping the lights on. BPA noted in its press release that "The lower Snake River dams made major contributions to BPA's efforts to keep the lights on during the cold snap," finding that the four dams peaked at more than 1,000 aMW each day.
 - Can you talk about the importance of those four dams during this intense period?
- A1: The lower Snake River dams made major contributions to Bonneville's efforts to meet demand during the cold snap. Combined, Lower Granite, Little Goose, Lower Monumental and Ice Harbor dams peaked to more than 1,000 average megawatts (aMW) each day from Jan. 13-16 with the highest one-hour peak of 1,146 megawatts (MW) achieved on Tuesday, Jan. 16. This was accomplished by reducing generation late at night into the early morning hours to less than 200 MW and ramping to over 1,100 MW during the peak daytime hours. In addition to peaking performance, Ice Harbor Dam provided much needed local energy in the Tri-Cities area by increasing generation throughout the extreme weather event.
- Q2: Administrator Hairston, the Pacific Northwest Utilities Conference Committee recently issued its 2024 Northwest Regional Forecast, which helps to track shifts in energy demand and potential resource changes to the power sector across the region. The Committee projected, among other things, that electricity demand will increase 30% over the next ten years. BPA will play a critical role in helping to meet these demands.
 - Can you offer any thoughts on how BPA is positioned to help the region meet this increase in demand?

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- A2: Bonneville is aware of projections that show demand increasing. Bonneville will better understand its power supply obligation once new long-term power sale contracts are offered and executed. Bonneville's Provider of Choice Policy and contracts pick up and carry forward some of the constructs Bonneville and its customers established in Regional Dialogue, such as tiering Bonneville's firm power rates that apply to its sales of firm power to regional firm power customers. In addition, BPA is studying large load growth potential in its current Resource Program to understand the impacts on Bonneville's power system and how it would acquire more generation, if needed.
- Q3: In your testimony in front of the Energy and Commerce Committee in January of this year, you talked about some of the challenges that salmon face due to BPA's operations, but you also noted that "each of the Mainstem Columbia and Snake River dams now achieve 96 to 99% survival rates."
 - Could you talk about how BPA has helped to improve salmon recovery and fish passage efforts, particularly along the Snake River Dams?
- A3: As stated in that testimony, "The Federal Columbia and Snake River dams—along with other development activities in the Pacific Northwest, harvest, ocean conditions, and a changing climate—have had adverse impacts on salmon, steelhead, and other native fish populations in the Basin. These fish have tremendous value to the region and to Tribal Nations in the Basin." As a result, BPA has a statutory duty to mitigate the impact of the configuration and operation of the dams on fish and wildlife, to include salmon, steelhead,

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and native fish. Accordingly, since the 1980 Northwest Electric Power Planning and Conservation Act, BPA has invested billions of dollars in improved configuration and operation of the dams to avoid and minimize their impact on fish and wildlife, as well as in offsite mitigation activities including ecological restoration and hatchery production conducted by Tribes, other federal agencies, states, and rural communities.

Bonneville engages in multiple regional forums to coordinate and ensure that operations of the Columbia River System dams maximize fish passage while simultaneously ensuring system function and reliability. Effectively balancing these objectives is accomplished through implementation of the annual Water Management Plan, and the Fish Passage Plan, including the Fish Operations Plan, prepared by the U.S. Army Corps of Engineers in coordination with Bonneville and other regional partners.

- Q4: Administrator Hairston, at our hearing Administrator Spinrad stated that "We don't express an opinion on whether the dams should go in or go out, and that authority actually resides with Congress." However, at a hearing of the House Committee on Energy and Commerce in January, the Assistant Administrator of the National Marine Fisheries Service, Janet Coit, stated that "our report concludes that in order to give the best possible chance of restoring salmon, we would need to breach the Lower Snake River Dams, and that is to achieve the healthy and harvestable goal."
 - Are you at all concerned with the approach that NOAA and the Biden Administration have taken with respect to the Lower Snake River Dams?
- A4: This question is outside the jurisdiction of BPA, and would recommend referring the question to NOAA.

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- Q5: There are key interests in the Northwest economy who say the US Government has been virtually silent on how it is implementing the White House agreement and in fact critical dates identified by the US Government have been missed.
 - Can BPA shed light on any efforts by the Administration to share with the people of the Northwest what the status is for these sweeping actions and commitments and where the implementation details and specific responsible party points of contact can be found?
- A5: Last September, Bonneville and other federal signatories entered into a memorandum of understanding and settlement agreement with the Confederated Tribes of the Colville Reservation, the Coeur d'Alene Tribe, and the Spokane Tribe of Indians related to the blocked area above Chief Joseph and Grand Coulee dams. Bonneville agreed to provide \$200 million over 20 years for these Tribes' second phase of studies to assess reintroduction of salmon that are neither Federally listed under the Endangered Species Act nor proposed for listing above Chief Joseph and Grand Coulee dams in the upper Columbia River Basin.

Subsequently, the Resilient Columbia Basin Agreement of December 14, 2023, was signed by the U.S. Government, including Bonneville, along with the Confederated Tribes and Bands of the Yakama Nation; the Confederated Tribes of the Umatilla Indian Reservation, the Confederated Tribes of the Warm Springs Reservation of Oregon; the Nez Perce Tribe; the State of Oregon; and the State of Washington - collectively referred to as the "Six Sovereigns" - and a coalition of environmental and fishing advocacy groups led by the National Wildlife Federation.

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Bonneville will, as appropriate, participate in and coordinate with other Departments and Agencies on implementing the USG Commitments. In addition, the USG Commitments specifically designate the following commitments to Bonneville.

- Bonneville will continue the current level of funding to support passage for Pacific lamprey.
- Bonneville will continue the current level of funding to support white sturgeon recovery efforts through FY 2025 to implement NPCC Regional White Sturgeon Framework recommendations and the White Sturgeon Hatchery Master Plan, and provide support for monitoring and evaluation needs.

Bonneville has already planned, through its Fish and Wildlife program, to add at least an additional \$20 million in combined Capital and Expense funding in FY 2024 and FY 2025 for fish and wildlife efforts throughout the Basin on top of commitments laid out above. In addition:

\$200M over 10 years in additional capital funding will be made available by Bonneville to
the U.S. Fish and Wildlife Service (FWS) for Lower Snake River Compensation Plan
(LSRCP) hatchery modernization, upgrades, and maintenance, as guided by the priorities
of other fishery managers including the Six Sovereigns.

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- An additional \$100M in funding under the Bonneville Administrator's authority under 16 U.S.C. § 832a(f) over 10 years for projects that contribute to the restoration of salmon and other native fish populations. To implement this commitment, Bonneville will provide an annual \$10M payment to the Six Sovereigns in a manner to be agreed upon, to distribute to specific projects, as prioritized by the Six Sovereigns. The Six Sovereigns will coordinate with relevant regional sovereigns as appropriate on projects.
- Bonneville will initiate a pilot with the Six Sovereigns to expand the use of grant and multi-year agreements within the Six Sovereigns' portfolio of projects in Bonneville's Columbia Basin Fish and Wildlife Program as appropriate, based on the type of planned work.
- BPA will also "Work to Accelerate Clean Energy Build-Out," which is described in more detail at pages 27-28 of the USG Commitments.
- Q6: Given that the announcement of the US Government agreement and related elements were time that BPA had not been able to fully analyze the operational impacts that could occur from changed river operations that the agreement committed to.
 - Where is BPA on that more robust analysis front and how does the analysis line up for a dry water year, which I understand the region is facing for the remainder of 2024?
- A6: The effects of the operations described in Appendix B Columbia River System Operations: 2024-2033 in the December 14, 2023 U.S. Government Commitments in Support of the "Columbia Basin Restoration Initiative" and in Partnership with the Six Sovereigns were

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analyzed by Bonneville Power Administration subject matter experts. The analysis included the effects to power and transmission services over a range of water conditions experienced during the previous 30 years, which included dry water years such as 2001 and 2015.

Bonneville determined that the effects of the Appendix B operations to power generation are limited under low river flow conditions because the system is typically operating at minimum generation and the remainder of water is spilled for fish passage until flows increase.

- Q7: To what extent is BPA receiving outreach from other sovereign parties-such as Tribes, states or other special jurisdictions-who are expressing interest in additional agreements that may cost BPA ratepayers funds similar to the \$300 million or more in "actions and commitments" the US Government and BPA recently signed on to?
- A7: Bonneville has received no formal requests from other sovereign parties to discuss additional agreements.