



United States Congress

NEWS RELEASE

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Northwest's Power is Strongest When United by the Idaho Congressional Delegation

When it comes to electric power rates, Idaho and the entire Northwest are in an enviable position. Idaho had the lowest average power rates last year of any state in the entire country, and the Pacific Northwest had the lowest rates of any region in the country - due largely to low-cost hydroelectric power. It has been that way for quite a while. It is worth noticing that Idaho also emitted fewer pollutants and greenhouse gases per capita than any state, largely due to that same hydropower system. This is a source of pride for many in our state.

A large portion of the region's power comes from the Bonneville Power Administration (BPA) hydroelectric system, a valuable federal resource that turns other regions green with envy. Recognizing a good thing when we see it, the Idaho Congressional Delegation has worked continually with other Northwest members of Congress to protect this resource from outside influences that want to diminish the value it provides to our region.

Unfortunately, this kind of harmony does not always apply to the individual utilities within the region when issues pit competing utilities against one another. Turf wars and lawsuits over the method BPA uses to distribute the benefits of the system to investor-owned utility customers, those who receive their power from Idaho Power, Avista, or Mid American (Rocky Mountain Power), have put the overall benefits to the region in jeopardy. Because the conflict was not settled from within, the fate of the energy costs in the region was put in the hands of the courts.

On May 3, the U.S. Ninth Circuit Court of Appeals predictably handed down a decision that will make no one happy, including the claimants who "won" the decision.

The immediate result of this discord will be rate increases for a large number of Idahoans, and for the majority of customers in the region. These rate increases could be as much as 25 percent for residential and small farm irrigators in southeast Idaho, and 10 percent for others in the state.

The Ninth Circuit ruled that BPA's method of distributing the benefit was incorrect, but the court provided no remedy. The court did, however, mandate that BPA work out a remedy that both the public and private utilities can agree on - something the utilities probably should have done in the first place. This will be no easy task for BPA, but we believe it can be done, and will strongly support such efforts. Already, BPA has heard from the six Senators from Idaho, Washington, and Oregon and many House members. We expressed a united view that this issue ought to be resolved within "the family," so we can avoid the outside influences of burdensome Ninth Circuit decisions or federal legislation that might give those outside our region the opportunity to come after our resources.

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Few issues in the Northwest are debated as passionately as those related to our power rates and the competitive edge they give our customers and businesses. We will continue to support resolving the residential exchange issue and others as expeditiously as possible – at the negotiation table rather than in the courtroom. By working together, we can continue to keep our rates low, our air clean, and our businesses competitive. When we stand together, the entire Northwest wins.

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