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ONE HUNDRED EIGHTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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Minority (202) 225-2927

February 21, 2024

The Honorable Willie L. Phillips
Chairman

The Honorable Allison Clements
Commissioner

The Honorable Mark C. Christie
Commissioner

Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

Dear Chairman Phillips and Commissioners,

Hydroelectric dams throughout the Columbia River Basin are essential to electric reliability in the western United States. Nearly 70 percent of hydropower capacity of the facilities in the basin are owned and operated by the federal government through the U.S. Army Corps of Engineers (USACE) and the Bureau of Reclamation (BOR). The electricity from these units is transported and marketed by the federal Bonneville Power Administration (BPA). Another 19 percent of the Columbia River basin's hydroelectric capacity is owned and operated by municipally owned utilities, including the 1,040-megawatt (MW) Boundary plant owned by the city of Seattle.

Numerous state and federal agencies are involved in planning and operations of the Columbia River System. The USACE and the BOR own and operate the federal water projects on the Columbia and its tributaries. The BPA markets the power generated from the federal projects and distributes power from federal and non-federal projects throughout the west via bilateral contracts and through the Western Energy Imbalance Market. These dispatchable hydropower resources, and the electricity produced by them, undoubtedly safeguard electric reliability in the western United States.

On March 28, 2022, the White House Council on Environmental Quality (CEQ) published a blog post entitled, “Columbia River Basin Fisheries: Working Together to Develop a Path Forward,” in which CEQ indicated it had convened nation-to-nation consultation between Federal agencies and leaders and representatives from the Tribes of the Columbia River Basin to discuss the impact of the Columbia-Snake River System on Pacific Salmon. The blog post also indicated the Biden administration had convened an interagency group to “identify a durable path forward that ensures a clean energy future, supports local and regional economies, and restores ecosystem function, while honoring longstanding commitments to Tribal Nations.”¹ As part of this blog post, CEQ also announced it had engaged the Federal Mediation and Conciliation Service (FMCS) to “facilitate a transparent and productive public policy dialogue with all of the sovereigns and stakeholders in the region,” and further invited members of the public to share information.²

In September 2023, President Biden issued a Presidential Memorandum directing Federal agencies to prioritize the restoration of healthy and abundant salmon, steelhead, and other native fish populations in the Columbia River Basin.³ On December 14, 2023, the Biden administration released the Draft Mediated Agreement entitled “U.S. Government Commitments in Support for the Columbia Basin Restoration Initiative and in Partnership with the Six Sovereigns.” The agreement was filed in the District Court in Oregon and sets out commitments made by the Federal Government and implemented through a memorandum of understanding (MOU) between the United States; the States of Oregon and Washington; the Nez Pearce, Umatilla, Warm Springs, and Yakama Tribes; and environmental non-profit organizations. That same day, December 14, 2023, the Biden administration announced that it had filed an agreement in the Federal District Court in Oregon, establishing commitments made by the Federal government and implemented through a MOU.⁴ The agreement lays the groundwork for eventually breaching these dams, rendering them unable to produce affordable, dispatchable, reliable, and renewable electricity for millions.

The Biden administration’s MOU would spend more than \$1 billion in preparation for breaching the four Lower Snake River dams, although only Congress may authorize the removal of the dams.⁵ In addition to the \$1 billion to breach the dams, the MOU contains significant Department of Energy funding commitments to 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, and the Nez Perce Tribe to deploy “clean, renewable, socially-just energy resources” to serve as “replacement” power for the Lower Snake River dams.

¹ Council on Environmental Quality. [Columbia River Basin Fisheries: Working Together to Develop a Path Forward](#).

² *Id.*

³ <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/09/27/memorandum-on-restoring-healthy-and-abundant-salmon-steelhead-and-other-native-fish-populations-in-the-columbia-river-basin/>.

⁴ See Memorandum of Understanding (MOU) filed on December 14, 2023. Available [here](#)

⁵ *Id.*

According to the MOU, the “clean, renewable, socially-just energy resources” to replace the electricity from the dams include “distributed energy resources... efficiency and demand response, other generation, storage, and transmission resources.”⁶ This represents yet another example of economic, dispatchable, and reliable generation being forced out of the markets, not by economics and market forces, but by ill-conceived public policy priorities that lack a fundamental understanding of the electric system.

We are concerned that the Biden administration failed to consider the impact of dam breaches on electric reliability when conducting its secret negotiations. The Federal Energy Regulatory Commission (FERC) should have been involved in these discussions in order to ensure misguided policies do not further undermine grid reliability. The lower Snake River dams provide over 3,000 MW of affordable nameplate capacity that communities in the western United States depend on for reliability and resource adequacy.

As noted in responses to our letter dated December 29, 2023, Chairman Phillips stated that “we cannot, as a country, afford to retire resources on which we depend for reliability without ensuring that they are replaced with sufficient resources to meet resource adequacy and other system needs.” This includes the affordable, dispatchable, and renewable hydroelectric dams in the Columbia River Basin that millions of Americans depend on for reliability. In fact, during the most recent cold snap in the Pacific Northwest, federal dams, including the lower Snake River dams, “were vital to keeping the lights on” by producing over 1,000 MW of electricity each day to help BPA and the region meet high demands.”⁷

Given these facts, we request that you answer the following questions by March 6, 2024:

1. Was FERC consulted as part of the Columbia River Basin negotiations to examine or explain the impacts on electric reliability relating to the commitments contained in the MOU?
 - a. Was FERC included in these negotiations in any capacity to assess the impacts to affordability, reliability, and resource adequacy in the western United States?
 - b. Please describe any communications you have had with BPA, CEQ, the White House, or any other Federal entity during the Columbia River Basin negotiation process.
2. Will FERC coordinate with other Federal entities, like BPA and the Administration, to examine the reliability impacts of the potential loss of dispatchable, clean, renewable hydroelectric power in the west as the MOU is implemented?

⁶ <https://subscriber.politicopro.com/eenews/f/eenews/?id=0000018c-6a19-d747-a9be-ee9babfa0000>. According to the MOU, “clean, renewable, socially-just energy resources” include “distributed energy resources... efficiency and demand response, other generation, storage, and transmission resources.”

⁷ <https://www.bpa.gov/about/newsroom/news-articles/20240131-federal-hydro-system-powers-region-through-arctic-blast#:~:text=%E2%80%9CThe%20federal%20dams%20and%20Columbia.outages%2C%20federal%20generation%20operated%20reliably.>

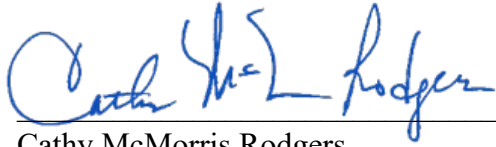
3. How does FERC consider the negative impacts of policies that displace reliable generation when fulfilling its mission to safeguard reliability? How is FERC assessing the cumulative effects of state policies that impact wholesale system spanning multiple states and entire interconnections?
4. On January 30, 2024, Mr. Jeremiah Baumann from the Department of Energy (DOE) testified before the Subcommittee on Energy, Climate, and Grid Security hearing. During the hearing, Mr. Baumann was asked about replacing the electric generation that would be lost if the four lower Snake River dams were breached. Mr. Baumann said:

“[Y]ou can use sort of existing off-the-shelf emissions-free technology like wind, solar, and current batteries for a big chunk, but then for the last bit, you really do need other technologies like hydrogen, something that is going to be that 24./7 dispatchable piece, and right now those are very expensive and hard to develop.”

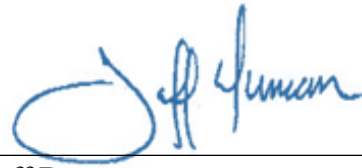
 - a. Do you agree with DOE’s assessment of the need for dispatchable replacement capacity if the lower Snake River dams are breached?
 - b. What cost-effective and commercially available technology would be the most efficient dispatchable replacement for the lower Snake River dams?
5. The Columbia River Basin MOU describes several replacement energy resources for the hydroelectricity from the dams, including distributed energy resources, efficiency measures, demand response, and other generation, storage, and transmission resources.
 - a. Do you consider those adequate replacements for the over 3,000 MW of dispatchable nameplate capacity from the lower Snake River dams?
 - b. What quantity, in MW, of distributed energy resources, efficiency measures, demand response, and other generation is needed to replace the capacity, energy, and essential reliability services provided by the dams? Can these replacement resources provide comparable quality and quantity of these services?
 - c. What effect will this have on energy prices and capacity contracts for consumers in the region? Would you consider the total costs for replacement resources just and reasonable when they are higher than they otherwise would be with these dispatchable resources still in service?
 - d. How will the loss of the dams and the characteristics of the proposed replacement resources affect system capabilities needs, especially during peak periods?

We look forward to prompt attention to this request. If you have any questions regarding this matter, please contact Majority Committee staff at (202) 225-3641.

Sincerely,



Cathy McMorris Rodgers
Chair
Committee on Energy and Commerce



Jeff Duncan
Chair
Subcommittee on Energy, Climate,
and Grid Security

CC: Frank Pallone Jr., Ranking Member, Energy and Commerce Committee
Diana DeGette, Ranking Member, Subcommittee on Energy, Climate, and Grid Security