THEODORE R. KULONGOSKI Governor



March 30, 2004

Mr. Stephen J. Wright Administrator Bonneville Power Administration P.O. Box 3621 Portland, OR 97308-3621

Brigadier General William T. Grisoli Commander and Division Engineer U.S. Army Corps of Engineers Northwestern Division P.O. Box 2870 Portland, OR 97208-2870

Dear Administrator Wright and Brigadier General Grisoli:

Yesterday you received the March 29, 2004, letter from the Governors of the four Northwest states regarding summer spill operations on the Columbia River power system. That letter indicated there are significant shared policy objectives and interests among the states to find long-term solutions for the Columbia River system that balance economic and environmental concerns. With this letter, I want to more specifically call attention to Oregon's perspective on this issue.

My administration supports efforts to improve Oregon's economic health. I strongly believe that economic improvements can and should be implemented in a manner that maintains protections for the environment. In my opinion, alternative spill operations should not only result in increased power production and increased revenues, but those revenues should be applied toward electricity rate stabilization or rate decreases. If the revenue increases are used to reduce or avoid future electricity rate increased power production should not come at the expense of salmon and steelhead populations. These fish support tribal, commercial and sport fishery interests and the related economies. In addition, a number of salmon and steelhead runs in the Columbia River system are listed under the federal Endangered Species Act. Therefore, it is important that any alternative spill operation must include sufficient offsets and funding to mitigate for impacts to ESA-listed and non-listed salmon and steelhead populations.

In developing my policy for hydroelectric power and fish recovery, my office has worked with staff from several state agencies and Oregon's Northwest Power and Conservation Council members and staff. I want to stress that all of Oregon's comments on your ideas for alternative spill operations, including those of the Oregon Department of Fish and Wildlife, have been developed in consultation with my staff and are fully consistent with my policy objectives.

Oregon will continue to work constructively with the federal executives on summer spill and other Columbia River power system issues.

Sincerely,

Whendre R Kulong raki

Theodore R. Kulongoski Governor

Cc: Mr. D. Robert Lohn Regional Administrator, NOAA Fisheries