Department of Energy



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

FREEDOM OF INFORMATION ACT PROGRAM

July 27, 2020

In reply refer to: FOIA #BPA-2020-00814-F

Michael Ravnitzky
(b) (6)

Email: (b) (6)

Dear Mr. Ravnitzky,

This communication is the Bonneville Power Administration's (BPA) response to your request for agency records made under the Freedom of Information Act, 5 U.S.C. § 552 (FOIA). Your request was received on May 23, 2020, with a formal acknowledgement letter sent to you on June 15, 2020.

Request

"...the Questions For the Record (QFR) and agency QFR responses to Congress responding to QFRs during calendar years 2017, 2018, 2019 and 2020 to date, for BPA."

Response

BPA searched for and gathered 18 pages of responsive records from the agency's Regional Relations office and National Relations office. BPA is herein releasing those 18 pages in full, without redactions.

Fee

There are no fees associated with your request for agency records.

Appeal

The adequacy of the search may be appealed within 90 calendar days from your receipt of this letter pursuant to 10 C.F.R. § 1004.8. Appeals should be addressed to:

Director, Office of Hearings and Appeals HG-1, L'Enfant Plaza U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585-1615 The written appeal, including the envelope, must clearly indicate that a FOIA appeal is being made. You may also submit your appeal by e-mail to OHA.filings@hq.doe.gov, including the phrase "Freedom of Information Appeal" in the subject line. (The Office of Hearings and Appeals prefers to receive appeals by email.) The appeal must contain all the elements required by 10 C.F.R. § 1004.8, including a copy of the determination letter. Thereafter, judicial review will be available to you in the Federal District Court either (1) in the district where you reside, (2) where you have your principal place of business, (3) where DOE's records are situated, or (4) in the District of Columbia.

You may contact BPA's FOIA Public Liaison, Jason Taylor, at the address on this letter header for any further assistance and to discuss any aspect of your request. Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows:

Office of Government Information Services National Archives and Records Administration 8601 Adelphi Road-OGIS College Park, Maryland 20740-6001

E-mail: ogis@nara.gov Phone: 202-741-5770 Toll-free: 1-877-684-6448

Fax: 202-741-5769

I appreciate the opportunity to assist you. If you have any questions about this letter, please contact E. Thanh Knudson (FOIA Case Coordinator, Flux Resources, LLP) at 503-230-5221, or via email at etknudson@bpa.gov.

Sincerely,

Candice D. Palen

Freedom of Information/Privacy Act Officer

ONE HUNDRED FIFTEENTH CONGRESS

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COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN House OFFICE Building Washington, DC 20515-6115

Majority (202) 225-2927 Minority (202) 225-3641

April 4, 2017

Mr. Kieran Connolly
Vice President for Generation and Asset Management
Bonneville Power Administration
1000 Independence Avenue, S.W., 8G-061
Washington, DC 20585

Dear Mr. Connolly,

Thank you for appearing before the Subcommittee on Energy on Wednesday, March 15, 2017, to testify at the hearing entitled "Modernizing Energy Infrastructure: Challenges and Opportunities to Expanding Hydropower Generation."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (I) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Wednesday, April 19, 2017. Your responses should be mailed to Grace Appelbe, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Grace.Appelbe@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sine dy,

Fred Upton

Chairman

Subcommittee on Energy

cc: The Honorable Bobby L. Rush, Ranking Member, Subcommittee on Energy

Attachment

Additional Questions for the Record

The Honorable Fred Upton

- 1. Your testimony raised an important issue relating to the ongoing litigation in the U.S. District Court in Oregon.
 - a. How could the safety and reliability of the power generation and transmission system be affected by proposals to add significant spill and stop investment in the four Lower Snake River Dams?
 - b. How would removal of the Lower Snake River Dams affect Bonneville's ability to provide adequate power during peak periods?
- 2. Your testimony indicated that about 30% of Bonneville's rates go toward fish and wildlife mitigation.
 - a. How much doe Bonneville spend on its fish and wildlife program on an annual basis?
 - b. How does Bonneville budget for fish and wildlife costs? Are ratepayers included in the process?
- 3. Bonneville's contracts come up for renewal in 2028. What is Bonneville's strategy for addressing rate pressures?
 - a. Are all costs on the table for review?

Congresswoman McMorris Rodgers Question for the Record

Subcommittee on Energy and Water Development House Committee on Appropriations

Hearing on the 2019 Budget Request for the Department of Energy March 15, 2018

Q25: What steps are being taken to bring financial stability and greater alignment with market prices to the BPA that will allow them to continue being the provider of choice once their contracts mature in 2028?

How does the DOE plan to ensure that the annual payments to the Treasury continue into the future?

A25: This year, BPA embarked on its 2018-2023 Strategic Plan released in January 2018. Through achieving strategic goals outlined in the Strategic Plan, BPA aims to address industry dynamics and risks that challenge its specific commercial performance. Strategic goals include: 1) strengthening BPA's financial health for cost management, financial resiliency, and high credit ratings; 2) modernizing assets and operations to make BPA more competitive and responsive to customer needs; and 3) continuing to take advantage of new market opportunities to maximize the value of the flexibility and capacity services that clean hydropower resources can provide while providing responsible environmental stewardship and regional accountability.

The BPA Administrator has a Federal statutory responsibility to assure that BPA recovers all its costs, including its obligations to repay the Treasury. BPA establishes its rates to maintain a 95 percent probability of making this repayment over two consecutive years. This equates to a 97.5 percent certainty of making annual scheduled payments in a single year of the rate period. Last year BPA made its annual Treasury payment on time and in full for the 34th consecutive year. DOE will continue to ensure that BPA adheres to its Congressional mandates, including repayment obligations to the Treasury.

Preparation Lead: Sonya L. Baskerville

Preparation Team: Doug Marker Preparation Team: Roger Seifert

Phone Numbers: (202) 586-5640

Concurrences:

CF: Will Lahneman

CI: Robert Tuttle

Date: 4/30/2018

CI: Robert Tuttle

Date: 4/30/2018

CI: Katherine Konieczny

Date: 4/30/2018

Date: 4/30/2018

Date Question Received: 4/19/2018

Congresswoman McMorris Rodgers Question for the Record

Subcommittee on Energy and Water Development House Committee on Appropriations

Hearing on the 2019 Budget Request for the Department of Energy March 15, 2018

Q25: What steps are being taken to bring financial stability and greater alignment with market prices to the BPA that will allow them to continue being the provider of choice once their contracts mature in 2028?

How does the DOE plan to ensure that the annual payments to the Treasury continue into the future?

OFG-LOG #: 2018-0020

4/19/2018

DUE DATE:

5/04/2018

A25:

Preparation Lead: Sonya L. Baskerville

Preparation Team: Doug Marker Preparation Team: Roger Seifert

Phone Numbers: (202) 586-5640

Concurrences:

CF: Date:

CI: Date: Date: Date:

OP: Date:

Date Question Received: 4/19/2018

Questions for the Record Submitted to Mr. Dan James
U.S. Senate Committee on Energy and Natural Resources
Subcommittee on Water and Power
May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

QUESTION FROM SENATOR MARTHA MCSALLY

- Q1. I am concerned about the recent shift in treatment of Purchase Power and Wheeling (PP&W) by the Congressional Budget Office that does not reflect the reasonable annual variance between budgeted and actual PP&W costs and how it could result in rate instability for PMA customers. Can you explain for the record the uses and importance to these funds, and, by project the authority and mechanism for recovering of PP&W costs through rates and typical cycle for PP&W costs and recovery to net to zero?
- A1. This issue does not apply to the Bonneville Power Administration (Bonneville).

Questions for the Record Submitted to Mr. Dan James
U.S. Senate Committee on Energy and Natural Resources
Subcommittee on Water and Power
May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

QUESTION FROM SENATOR RON WYDEN

- Q1. As you are aware, the president's budget for three consecutive years has proposed the selling off the Power Marketing Administration's transmission assets, including those of the Bonneville Power Administration. Can you please provide the committee with the detailed analysis the administration took to determine whether selling BPA's transmission assets is in the best interest of the customers BPA serves?
- A1. The vast majority of the Nation's electricity infrastructure is owned and operated by for-profit investor owned utilities. Ownership of transmission assets is best carried out by the private sector where there are appropriate market and regulatory incentives.

Questions for the Record Submitted to Mr. Dan James
U.S. Senate Committee on Energy and Natural Resources
Subcommittee on Water and Power
May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

QUESTIONS FROM SENATOR JAMES E. RISCH

- Q1. BPA, like many utilities in the West, is faced with various expenditures. In addition to operation and maintenance costs, infrastructure upgrades, administrative costs, BPA also pays for various costs associated with fish and wildlife. Would you please describe for the Committee what percentage of your total budget goes to pay for fish and wildlife mitigation measures and how these funds are being used?
- A1. Bonneville's fish and wildlife spending is authorized by the Northwest Electric Power Planning and Conservation Act to protect, mitigate, and enhance Columbia River Basin fish and wildlife affected by Federal hydroelectric projects in the basin. Bonneville implements projects consistent with the Northwest Power and Conservation Council's (the Council) Columbia Basin Fish and Wildlife Program, the Endangered Species Act, the Federal Clean Water Act, and other laws. Bonneville also reimburses the U.S. Treasury for certain fish and wildlife projects of the U.S. Army Corps of Engineers (Corps), the Bureau of Reclamation (Reclamation), and the U.S. Fish and Wildlife Service. Bonneville also funds the functions of the Council. Finally, Bonneville incurs depreciation expense and interest on capital fish and wildlife program investments. Bonneville fish and wildlife costs, allocable to power, are fully recovered from Bonneville rate-paying customers.

Bonneville reports the details of its spending on fish and wildlife obligations in its annual budget submission to Congress. Bonneville's FY 2020 Congressional Budget shows for Fiscal Year 2018 a total of \$480.2¹, million for Bonneville fish and wildlife actions. This \$480.2 million amount compares to Bonneville's total expenditures in FY 2018 of \$3,205.9² million or approximately 15 percent.

Bonneville's fish and wildlife expenditures in FY 2018 included: total program operating expenses (\$347.97 million); program related fixed expenses of interest, amortization and

¹ FY 2020 DOE Congressional Budget, Volume 3, Part 1, page 403, "Total Program Expenses, Forgone Revenues, & Power Purchases".

² FY 2020 DOE Congressional Budget, Volume 3, Part 1, page 303, "Funding Profile by Subprograms".

Questions for the Record Submitted to Mr. Dan James U.S. Senate Committee on Energy and Natural Resources Subcommittee on Water and Power

May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

depreciation on prior capital investment (\$105.1 million); forgone revenue (\$2.9 million), and power purchases for fish enhancement (\$24.3 million). The amounts of forgone revenue and power purchases can vary significantly from year to year due to differences in streamflows, power prices, and fish operations. Bonneville expects the annual total forgone revenue and power purchases amount to be roughly \$200 million, but the variation around that expected value is quite large. For example, the results from the 80 individual water years modeled have an annual total range of approximately \$21 million to \$314 million.

In addition, new capital fish and wildlife investments made directly by Bonneville, and by the Corps and Reclamation through Congressional appropriations totaled \$83.2 million. Annual operations and maintenance costs for past capital investments are included in Bonneville's program operating expenses of \$347.97 million. Annual interest, amortization, and depreciation on those past capital investments are in the \$105.1 million of program related fixed expenses.

- Q2. As you know, in Idaho, the Bonneville Power Administration provides electric power to approximately 16% of the state—power that generally goes to my most rural constituents. In recent years, these constituents have expressed concern with BPA's rising costs. What steps is BPA taking to lower the cost curve and are there any steps Congress could take to address these rising costs?
- A2. In January 2018, Bonneville released its 2018-2023 Strategic Plan to describe how it will operate in a commercially successful manner while meeting its public responsibilities. Bonneville developed this strategic plan after listening to customers and constituents express their interests in Bonneville's commercial viability and ability to meet its statutory obligations.

Bonneville adopted the following strategic goals:

- 1. Strengthen financial health
- 2. Modernize assets and system operations
- 3. Provide competitive power products and services
- 4. Meet transmission customer needs efficiently and responsively

Questions for the Record Submitted to Mr. Dan James U.S. Senate Committee on Energy and Natural Resources Subcommittee on Water and Power

May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

Acting on these goals will put Bonneville on a path to become more competitive and responsive to customer needs, modernize assets and operations to leverage and enable industry change, and deliver on Bonneville's public responsibilities through a commercially successful business.

Following release of its 2018 – 2023 Strategic Plan, Bonneville issued its 2018 Financial Plan. The Financial Plan provides a framework for decision-making by defining the financial constraints within which Bonneville operates and establishing objectives to strengthen financial health. The three financial health objectives outlined in the financial plan are: improve cost-management discipline, build financial resiliency and maintain a strong independent financial health assessment. Bonneville will work collaboratively with its customers and stakeholders through public processes to determine the best course of action toward meeting its three financial health objectives.

In preparing for the Fiscal Year 2020 and 2021 rate period, Bonneville initiated a renewed focus on cost management. Bonneville took aggressive steps to manage the rising costs of operating the federal power and transmission systems, starting by establishing a cost-management goal to keep the sum of program costs, by business line, at or below the rate of inflation through 2028.

To meet this goal, and in response to customer input, Bonneville initiated a new approach for setting spending levels during its Integrated Program Review (IPR) public process. The IPR is the public review process for the costs that will be recovered through rates during the following two-year rate period. Instead of Bonneville's past practice of determining program costs through a bottom-up approach, Bonneville leadership set firm cost constraints at the start of the process in alignment with this cost-management objective.

This effort resulted in Bonneville's initial power rates proposal for Fiscal Years 2020 and 2021 with an increase in the average Priority Firm Power rate of 2.9 percent over the two-year period, or 1.4 percent annually. The rate proposal is below the rate of inflation and reflects the progress Bonneville has made in managing its costs. Bonneville will make its final decision on rates in July.

Questions for the Record Submitted to Mr. Dan James
U.S. Senate Committee on Energy and Natural Resources
Subcommittee on Water and Power
May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

Bonneville believes it has adequate authorities to manage its costs in this manner while meeting its statutory obligations.

- Q3. BPA has been analyzing participation in the California EIM market. Can you please provide an update on the status of that effort, what potential costs and benefits of joining a market have been identified, and what governance accommodations has California indicated it is willing to ensure that California state policy can't be forced on BPA rate payers in my state?
- A3. Bonneville initiated consideration of participating in the Energy Imbalance Market (EIM) last year. Bonneville has held monthly public meetings since July 2018 to review the status of its analysis and invite comments and questions from Bonneville customers and other interested parties in the region. Bonneville expects to release a draft implementation agreement with a letter to the region in the next month. Bonneville will invite additional public comment on the letter to the region before making a decision to go forward.

In May, Bonneville presented the estimates of costs and potential benefits from participation in the EIM. This initial estimate is of annual ongoing costs of \$6.2 million against gross benefits of \$48.9 million for a net annual benefit of \$42.7 million.

Currently, governance of the EIM is provided by an independent Governing Body in coordination with the California Independent System Operator Board of Governors. Both bodies have initiated a process to review governance of the EIM and consider revisions to functions and authorities with the expansion of EIM participation and the potential addition of market functions such as day-ahead enhancements. Bonneville supports this review, and has commented on the proposed review, but is considering its participation in the EIM as it is currently governed. It is important to note that participation in the EIM is voluntary. Bonneville and other participants may leave the EIM if desired.

Question from Senator Cantwell

Question 3: Impact of Administration's Bailout Proposal and Tariffs

The President is again proposing to sell off the Power Marketing Administrations' transmission assets, including Bonneville Power Administration's transmission. He is also proposing to end cost-based rates. According to the Northwest Power and Conservation Council, privatizing BPA will increase electricity rates as much as 40 percent. This will hurt Washington state businesses, families and our economy.

Secretary Perry, will you commit to me that the Department of Energy will not pursue the proposal to auction off PMA transmission lines, including those owned by Bonneville, or abandon cost-based rates?

A7. Under current law, DOE is responsible for the supervision of the PMAs. DOE has no authority to sell or otherwise divest of PMA transmission assets. Similarly, under current law, the PMAs establish rates on a cost-based system. Any changes to those laws would require congressional authorization.

Elliot Mainzer 4/8/2019 Preparation Lead: BPA

Preparation Team Names: Sonya Baskerville

Phone Number: (202) 586-5640

Concurrences:

CI: Jack Cramton 04/10/2019 CF: Lisa Patterson 4/10/2019 GC: Katherine Konieczny 4/9/2019 OP: Kyle Yunaska 4/9/2019. PA: Lindsey Geisler 4/9/2019 OE: Rusty Perrin 4/8/2019

Date Questions Received: 4/8/2019

Responses of the Bonneville Power Administration Questions for the Record Submitted to Sonya Baskerville Before the

Subcommittee on Indigenous People of the United States Committee on Natural Resources U.S. House of Representatives September 19, 2019

Question from Representative Ruben Gallego

- Q1. In the event of this legislation's passage into law, how would its equitable settlement terms impact the paying customers of the Bonneville Power Administration
- A1. Bonneville is obligated under its governing statutes to set its rates to fully recover its costs. Thus, the costs for the annual payments established in S. 216 Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act would be included in Bonneville's costs for the purpose of setting its firm power rates. The annual payments beginning in 2021 are estimated to be about \$6 million. Bonneville estimates that the cost of the annual payments in S. 216 would raise Bonneville's wholesale rates by approximately \$0.0001 per kilowatt-hour. Bonneville estimates that these annual payments would not result in perceptible rate impacts to its power customers. Bonneville will manage those additional costs, as it does with all of its statutory obligations, through its public program budgeting and rates processes.

Preparation Lead: Sonya L. Baskerville

Preparation Team: Doug Marker

Preparation Team: Roger Seifert

Phone Numbers: (202) 586-5640

Concurrences:

CF: William Lauer Date: 10/4/2019
CI: Jack Cramton Date: 10/4/2019
GC: Felicia Issac Date: 10/3/2019
OE: Rusty Perrin Date: 10/4/2019

OP: Joshua Campbell Date: 10/4/2019 PA: Lindsey Geisler Date: 10/3/2019

Date Question Received: 9/25/2019

Responses of the Bonneville Power Administration Questions for the Record Submitted to Sonya Baskerville Before the

Subcommittee on Indigenous People of the United States
Committee on Natural Resources
U.S. House of Representatives
September 19, 2019

Questions from Representative Rob Bishop

- Q1. What kind claims are extinguished under section 8 of S. 216 are they moral claims, or are they claims for which the United States is or may be liable by any court to pay?
- A1. In 1946 Congress passed the Indian Claims Commission Act, creating a five-year window in which Indian tribes could sue the United States for past harms. The statute of limitations for such claims expired in 1951 without the Spokane Tribe having filed a claim for compensation for the use of their land in construction of the Grand Coulee Dam. The Spokane Tribe is no longer entitled to make a claim for such payment under the Indian Claims Commission Act.

The purpose of S. 216 Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act is to provide fair and equitable compensation to the Spokane Tribe for the past and continued use of land of the Spokane Tribe for the production of hydropower at Grand Coulee Dam.

- Q2. Do Bonneville utility customers agree with your statement that estimated annual payments established in S. 216 would not result in perceptible impacts on them?
- A2. Bonneville can only respond on its own behalf and how it anticipates managing for the impacts of the annual payments in S. 216. However, Bonneville publicly reviews its program costs and budgets and the rate impacts of any new requirements with its power customers and other stakeholders every two years. Bonneville estimates that the cost of the annual payments in S. 216 would raise Bonneville's wholesale rates by approximately \$0.0001 per kilowatt-hour.

Responses of the Bonneville Power Administration Questions for the Record Submitted to Sonya Baskerville Before the

Subcommittee on Indigenous People of the United States Committee on Natural Resources U.S. House of Representatives September 19, 2019

Preparation Lead: Sonya L. Baskerville

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CF: William Lauer Date: 10/4/2019
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OP: Joshua Campbell Date: 10/4/2019 PA: Lindsey Geisler Date: 10/3/2019

Date Question Received: 9/25/2019

PARISH BRADEN

REPUBLICAN STAFF DIRECTOR

DAVID WATKINS STAFF DIRECTOR

U.S. House of Representatives

Committee on Natural Resources Washington, DC 20515

September 24, 2019

Ms. Sonya Baskerville Manager, National Relations Bonneville Power Administration P.O. Box 3621 Portland, OR 97208-3621

Dear Ms. Baskerville,

Thank you for testifying before the Subcommittee for Indigenous Peoples of the United States on September 19, 2019 at the legislative hearing on:

• <u>S. 216</u> (Sen. Maria Cantwell), Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act.

As a follow-up to your testimony, please find enclosed additional questions submitted by members of the Committee for inclusion in the final hearing record. Please provide your written responses to: Ariana Romeo, Subcommittee Clerk, **no later than October 3, 2019**. Committee Rule 3(o) requires responses within 10 business days of the last day of the hearing.

We appreciate your time and insight, and we remain grateful for your contribution to the Subcommittee's work. Should you have any questions, please contact the Subcommittee at (202) 225-6065 about this request.

Ruben Gallego

Chairman

Subcommittee for Indigenous Peoples of the United States

Enclosure: Questions for the Record

Questions for the Record by Democrat Members

Questions from Rep. Gallego for Ms. Sonya Baskerville, Manager, National Relations, Bonneville Power Administration:

1. In the event of this legislation's passage into law, how would its equitable settlement terms impact the paying customers of the Bonneville Power Administration?

Questions for the Record by Republican Members

Questions from Rep. Rob Bishop for Ms. Sonya Baskerville, Manager, National Relations, Bonneville Power Administration:

- 1. What kind claims are extinguished under section 8 of S. 216 are they moral claims, or are they claims for which the United States is or may be liable by any court to pay?
- 2. Do Bonneville utility customers agree with your statement that estimated annual payments established in S. 216 would not result in perceptible impacts on them?

U.S. Senate Committee on Energy and Natural Resources Subcommittee on Water and Power

May 15, 2019 Hearing: Issues and Challenges at the Power Marketing Administrations

Questions for the Record Submitted to Mr. Dan James

Question from Senator Martha McSally

<u>Question</u>: I am concerned about the recent shift in treatment of Purchase Power and Wheeling (PP&W) by the Congressional Budget Office that does not reflect the reasonable annual variance between budgeted and actual PP&W costs and how it could result in rate instability for PMA customers. Can you explain for the record the uses and importance to these funds, and, by project the authority and mechanism for recovering of PP&W costs through rates and typical cycle for PP&W costs and recovery to net to zero?

Question from Senator Ron Wyden

<u>Question</u>: As you are aware, the president's budget for three consecutive years has proposed the selling off the Power Marketing Administration's transmission assets, including those of the Bonneville Power Administration. Can you please provide the committee with the detailed analysis the administration took to determine whether selling BPA's transmission assets is in the best interest of the customers BPA serves?

Questions from Senator James E. Risch

Question 1: BPA, like many utilities in the West, is faced with various expenditures. In addition to operation and maintenance costs, infrastructure upgrades, administrative costs, BPA also pays for various costs associated with fish and wildlife. Would you please describe for the Committee what percentage of your total budget goes to pay for fish and wildlife mitigation measures and how these funds are being used?

Question 2: As you know, in Idaho, the Bonneville Power Administration provides electric power to approximately 16% of the state—power that generally goes to my most rural constituents. In recent years, these constituents have expressed concern with BPA's rising costs. What steps is BPA taking to lower the cost curve and are there any steps Congress could take to address these rising costs?

Question 3: BPA has been analyzing participation in the California EIM market. Can you please provide an update on the status of that effort, what potential costs and benefits of joining a market have been identified, and what governance accommodations has California indicated it is willing to ensure that California state policy can't be forced on BPA rate payers in my state?

Received by BPA Administrator's OFC-LOG#: 2019-0007

Receipt Date: 20 May 2019

Due Date: 4 June 2019