United States Entity

Columbia River Treaty

P.O. Box 3621, Portland, OR 97208-3621

Chairman:

Administrator and Chief Executive Officer Bonneville Power Administration Department of Energy Member: Division Commander

Northwestern Division
Corps of Engineers
Department of the Army

13 December 2013

In reply refer to: BPA A-7 / USACE CENWD-DE

Ms. Sue Saarnio, Director Office of Canadian Affairs, WHA-CAN United States Department of State 2201 C Street Northwest Washington, D.C. 20520

Dear Ms. Saarnio:

The purpose of this letter is to transmit the U.S. Entity's regional recommendation concerning the future of the Columbia River Treaty after 2024. The U.S. Entity for the Columbia River Treaty (Treaty) is composed of the Administrator of the Bonneville Power Administration and the U.S. Army Corps of Engineers Northwestern Division Engineer, and is charged with the duty to formulate and carry out the operating arrangements necessary to implement the Treaty. The attached recommendation is being provided to the U.S. Department of State and the Administration at the direction of the Interagency Policy Committee to produce a regional recommendation that reflects the broadest possible consensus.

The regional recommendation was developed by the U.S. Entity in collaboration and consultation with the region's sovereign states, federally recognized tribes, and a variety of stakeholders through an extensive, multi-year process known as the Columbia River Treaty Review (Treaty Review). The U.S. Entity submits that the Pacific Northwest region broadly supports modernization of the Treaty to bring about better and more balanced benefits, and believes this would be in the best interest of the region and the United States.

The stated goal of the regional recommendation is for both countries to develop a modernized Treaty framework that reflects the actual value of coordinated power operations with Canada, maintains an acceptable level of flood risk and supports a resilient and healthy ecosystem-based function throughout the Columbia River Basin. It is important to achieve a modernized framework for the Treaty that balances power production, flood risk management, and ecosystem-based function as the primary purposes addressed in the Treaty, while also meeting other congressionally authorized purposes of the U.S. projects, such as irrigation and navigation.

The recommendation includes general principles, followed by topic specific recommendations for a modernized Treaty. In addition to the regional recommendation, we have included a section that identifies domestic matters for consideration by U.S. domestic interests to be addressed post-2013.

Throughout the Treaty Review process, every effort was made to achieve the broadest regional consensus possible. This recommendation represents the U.S. Entity's best effort to reflect the perspectives of the full spectrum of regional interests, but, like any process of this scope and complexity, some compromise

was necessary to garner as much region-wide support as possible. As such, not every opinion or perspective submitted to the U.S. Entity could be incorporated into the recommendation.

In forthcoming discussions at the national level, some parties may advocate for future Treaty operations that benefit certain uses over others. The U.S. Entity believes this would be inconsistent with the spirit and letter of this recommendation, which is built around the idea that all of the general principles outlined in this document are to be taken together and should be mutually achieved in a post-2024 Treaty. We support improving the Treaty for the benefit of all interests in the region by providing a collective net "win" and ensuring the Treaty is sustainable for the long term.

While the submission of this recommendation is an important first step, we understand that we now enter a new phase of review that will be carried out by the State Department in consultation with the Administration. The U.S. Entity, regional sovereigns and stakeholders remain very interested in participating in the State Department's future review and any subsequent related actions or decisions. In particular, the U.S. Entity and its Northwest partners stand ready to work with our Canadian counterparts in coordination with the State Department to develop the details of a modernized Treaty that is fair, balanced, and sustainable.

Sincerely,

/s/ Elliot E. Mainzer
Elliot E. Mainzer,
U.S. Entity Chair, Columbia River Treaty
Acting Administrator, Bonneville Power Administration

/s/ John S. Kem
Brigadier General John S. Kem
U.S. Entity Member, Columbia River Treaty
Commander, U.S. Army Corps of Engineers, Northwestern Division

Attachment: "U.S. Entity Regional Recommendation for the Future of the Columbia River Treaty after 2024"