

7114102
Pasco, wa



P.O. BOX 2308, TRLCITIES, WA 99302-2308
509-735-6461

RECEIVED BY BPA
PUBLIC INVOLVEMENT
LOG#: RD-0034
RECEIPT DATE:
SEP 17 2002

September 14, 2002

Bonneville Power Administration

RE: FEDERAL COLUMBIA RIVER POWER SYSTEM – POST 2006

Attention BPA Administrator:

AgriNorthwest is one of the largest electrical customers operating in Benton and Walla Walla Counties in eastern Washington. We have seen our power rate increase substantially the past years. As the rates have risen, we have both invested in conservation measures and reduced labor and other costs to offset the large increases. With every rate increase, we modify operations. For us, this means laying off employees.

Many would advocate reducing hydropower production and add new renewable resources such as solar, wind, geothermal, or biomass resources. We have seen some increase recently in wind energy production. Unfortunately, the cost of this wind power is \$45-65 per Megawatt of power. This is 4 to 6 times the cost of hydro-production. As a businessman, customer, and resident living in the Northwest, I cannot justify paying this amount. In 2001, the northwest saw the kinds of problems created when power rates in the west go up.

Bonneville Power Administration has an obligation to the region to supply the lowest cost power possible. BPA has become the first funding mechanism for every social and environmental cause desired. Recent studies have challenged that over \$1Billion was spent in 2001 for fish. Even if this number has been overstated, BPA provides hundreds of millions for environmental issues. I support cost effective environmental spending. I have not heard reliable sources stating that environmental and social spending requests will go down when we add high cost renewal power. Remember, we fund all the desired programs because our successful economy allows it. In the world economy, the efficient succeed. I know in my business, that as we witness success, we invest more in the community. If the northwest region kills the golden goose of low cost hydropower, region's economy, the northwest way of life, and our children will suffer.

The economy and viability of our northwest way of life is dependent on you providing low cost energy. Renewal energy options are not that. They may become efficient but today they only survive because of government subsidies.

Post 2006, please stand for the northwest economy by insuring low cost energy, fund responsible projects, and provide a bright future for our children.

If you have questions, I may be reached at 509-734-1195.

Yours truly,

R. Thomas Mackay
Director of Finance