

February 8, 2013



Mr. Stephen R. Oliver
Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97232

Mr. David Ponganis
U.S. Army Corps of Engineers, Northwestern Division
1125 NW Couch Street
Portland, OR 97209

Mr. Oliver and Mr. Ponganis,

Thank you for the opportunity to comment on the efforts by Bonneville Power Administration and the U.S. Army Corps of Engineers (the "U.S. Entity") to evaluate potential changes to our river system in the context of the Columbia River Treaty.

The Pacific Northwest Waterways Association (PNWA) is a non-profit 501(c)6 that advocates for federal policies and funding in support of regional economic development. We represent over 130 public and private sector member organizations in Oregon, Washington, Idaho, and California. Members include public ports, navigation, transportation, trade, tourism, agriculture, forest products, energy and local government interests. Since our founding in 1934, PNWA led the way for development of economic infrastructure for navigation, electric power and irrigated agriculture on the Columbia and Snake River System. In 1971, we expanded, adding Oregon and Washington coastal port members to provide a comprehensive regional perspective. Today, PNWA works with the U.S. Congress, federal agencies and regional decision leaders on transportation, trade, energy and environmental policies and projects to enhance economic vitality in the Pacific Northwest.

Many of our members have been engaged with the U.S. Entity in the listening sessions and additional meetings to provide input from sectors that may be affected by changes to historic river system operations. Several of our members will be providing comments that are specific to their organization or sector.

The higher high flows and lower low flows that are being modeled by the U.S. Entity may have significant impacts on navigation and navigation structures on the Columbia Snake River System. Navigation stakeholders have had the opportunity to meet with U.S. Army Corps of Engineers staff recently to provide feedback on these potential impacts. We strongly encourage the U.S. Entity to take into further consideration the following concerns.

Ability to Safely and Efficiently Navigate The higher level flood flows currently being modeled by the U.S. Entity may hinder safe navigation, as well as the efficiency of barging in the federal navigation channel. High flows reduce the number of barges that can be safely handled by a towboat in swift currents, including around the dams where spill operations may be in effect. Higher flows for longer periods of time will impact the ability of barge operators to move full tows, which will impact shipments of Northwest agricultural products, petroleum, and all other cargo handled on the Columbia Snake River System. Detailed information from the Northwest towboat community has been provided to the Corps on this issue.

PNWA members are also concerned about the impact flows may have on deep-draft ship handling on the Lower Columbia River. Higher flows may impact vessel handling, transit time, and the ability to safely anchor. Additionally, lower flows will exacerbate the lack of available draft that is already occurring on the Lower Columbia River. Draft restrictions have been in place for most of the past two years, due to sedimentation and inadequate federal maintenance dredging. Operating the river at a lower level for extended periods will have significant impacts to the regional economy. The direct estimated impact of a 40' draft restriction is a minimum of \$22 million per year, affecting millions of tons of cargo.

Impacts to Federal Navigation Projects When evaluating the costs and benefits to the United States for any changes to current river operations, our membership strongly encourages the U.S. Entity to fully capture the potential costs to existing federal navigation programs. Of particular concern is the increased sedimentation that will inevitably occur on the Columbia Snake River System with an increase in allowable flood flows. The most recent example of the impact of high flows was experienced by the region in 2011. Within six months of the Columbia River channel deepening completion, high river flows in 2011 resulted in severe shoaling that could not be adequately addressed by the level of funding provided to the Corps of Engineers' federal dredging program. As of February 2013, a fully-maintained channel has still not been restored, despite the commitment of over \$15M in additional funding in FY2011 and FY2012.

While we realize the flows being modeled will not change reservoir levels beyond their currently authorized operating ranges, these flows do represent a departure from the historic highs and lows expected by the navigation community on the river system. It is critical to fully assess the full economic impacts to each part of the river system before institutionalizing a new regime of higher high flows and lower low flows.

Utility members of PNWA have provided comment through the Columbia River Treaty Power Group. We would call special attention to that group's highest priority principle:

Downstream Power Benefits Any payment made to Canada for downstream power benefits should not exceed one-half of the actual incremental power benefit achieved

through a coordinated US/Canada operation as compared to a non-coordinated operation.

Thank you for the opportunity to provide our current concerns. We look forward to future opportunities to expand on these perspectives. Our Association will continue to engage with the U.S. Entity, and welcomes any questions you may have.

Sincerely,

Kristin Meira

Kristin Meira
Executive Director
Pacific Northwest Waterways Association (PNWA)