

Congress of the United States
Washington, DC 20515

June 5, 2017

The Honorable Rick Perry
Secretary
U.S. Department of Energy
1000 Independence Ave., SW
Washington, D.C. 20585

The Honorable Mick Mulvaney
Director
U.S. Office of Management and Budget
725 17th St., NW
Washington, D.C. 20503

Dear Secretary Perry and Director Mulvaney:

We write to you to express our concern with a provision in the President's Fiscal Year (FY) 2018 Budget Request that proposes to sell off transmission assets for federal Power Marketing Agencies, including for the Bonneville Power Administration (BPA). We believe divesting BPA's transmission assets will harm individuals and businesses, divert capital needed for further infrastructure investment in the Northwest, and undermine regional utility coordination. For these reasons, we are united in opposing implementation of these elements of the FY18 Budget.

BPA has a fundamental role in our region that dates back decades. Established by Congress in 1937 as a nonprofit federal power marketing administration, BPA was tasked with helping to manage and sell power generated by the newly constructed Bonneville Dam on the Columbia River. Eighty years later, BPA has helped to develop and administer the complex electrical system that powers the Northwest, now providing affordable and reliable power to over 12 million people and the businesses that help the region thrive.

Importantly, BPA is self-funding, and is of no cost to the taxpayer. The entire BPA transmission system—both the capital investment and operation and maintenance—is fully paid by the users of the system. In fact, it has benefitted U.S. taxpayers by providing more than \$32.5 billion in payments to the U.S Treasury. Divesting these assets to the highest bidder could transfer the benefit and equity of these investments from the Northwest consumers, who have financed the system, to distant investors. Furthermore, this proposal will lead to a certain rate increase for consumers, imposing increased costs on families and economic development, potentially jeopardizing the ability of the BPA to repay the costs of the Federal Columbia River Power System.

We are also concerned that the divestiture would put rural communities in the Pacific Northwest at increased risk. Currently, BPA coordinates in transmission and power marketing functions to maximize efficiency. Severing that relationship will undermine this goal. Moreover, privatization could lead to the division of the regional grid, with high-value assets sold off for a premium and lines that serve rural areas and grid reliability abandoned. Private companies are unlikely to give these communities the proper maintenance and attention they need to maintain complex transmission assets.

Contrary to the FY18 Budget's rationale, BPA owns 75% of the transmission in the Pacific Northwest. All Northwest utilities and the customers they serve depend on BPA's grid to access affordable and reliable power. Selling off BPA's transmission assets is bad public policy that undermines the President's economic objectives and betrays a lack of understanding of the Northwest.

We oppose this proposal, and instead urge you to work with us to support the continued health of BPA, which has been central to the economic vitality of the Northwest.

Sincerely,




Jaime Herrera Beutler
Member of Congress



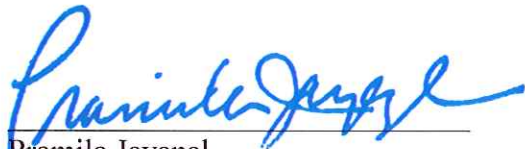
Earl Blumenauer
Member of Congress



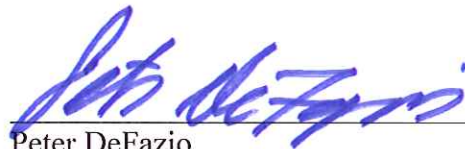
Derek Kilmer
Member of Congress



Cathy McMorris Rodgers
Member of Congress



Pramila Jayapal
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Peter DeFazio
Member of Congress



Suzan DelBene
Member of Congress



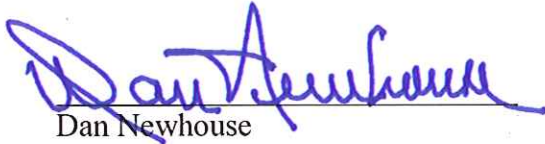
Denny Heck
Member of Congress



Dave Reichert
Member of Congress



Rick Larsen
Member of Congress



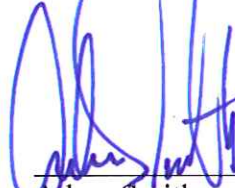
Dan Newhouse
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