



July 6, 2023

Mr. Jeff Allen, Chair
Northwest Power & Conservation Council
244 S Academy Avenue
Eagle, ID 83616

Dear Chair Allen,

We offer these comments as the Northwest Power and Conservation Council (Council) considers its FY24 and preliminary FY25 budget. We collectively believe that the Council plays a uniquely valuable role in the Pacific Northwest, and we want to ensure the Council has sufficient funding to sustain its critical work.

The Council, established through the 1980 Northwest Power Act, is charged with ensuring the region has an adequate, efficient, economical and reliable power supply, while mitigating the impacts of the hydropower system on fish and wildlife. These priorities are as essential to each of our states today as they were 43 years ago.

It has come to our attention that the Council's funding as set forth by Congress in the Act is constrained under the statute. The Council's budget is based on the Bonneville Power Administration's (BPA) annual forecast of its firm electricity sales which have largely been flat or declining in recent years. Further, we understand that the Act does not include a mechanism to account for inflation.

We are concerned that this funding formula will result in a budget limit for the Council that will be insufficient to meet our statutory obligations in the future. The Council has consistently managed its budget below the rate of inflation for many years, but its ability to continue doing so under existing circumstances is clearly limited. Indeed, the Council's FY25 preliminary budget reflects that the budget is projected to exceed the funding available to it from BPA. We also encourage the Council to review the current budget to ensure funding is being used wisely and efficiently to meet the goals of the 1980 Northwest Power Act.

The regional power system and our fish and wildlife face many new challenges in the coming years, challenges that demand the kind of independent and robust analyses and planning functions provided by the Council. We are committed to working with you and the rest of the Council, as well as BPA to address and ultimately resolve this issue in FY24.

Sincerely,



Governor Greg Gianforte
Montana



Governor Jay Inslee
Washington



Governor Tina Kotek
Oregon



Governor Brad Little
Idaho

CC: John Hairston, BPA Administrator