

July 11, 2022

The Honorable Patty Murray  
United States Senate  
Washington, D.C. 20510

Governor Jay Inslee  
Office of the Governor  
P.O. Box 40002  
Olympia, WA 98504-0002

Re: Draft LSRD Benefit Replacement Report

Dear Senator Murray and Governor Inslee:

Thank you for the opportunity to provide comments on the draft Lower Snake River Dams Benefit Replacement Study. Oregon Business & Industry (OBI) is Oregon's most comprehensive business association representing more than 1,600 businesses that employ over 250,000 Oregonians. We represent all sectors of the Oregon economy and serve as the state's Retail and Manufacturing Councils. OBI would like to express our significant concern over the findings of the draft report, its incomplete assessment of the services provided by the lower Snake River Dams (LSRD), and how their removal would impact Oregon's businesses and customers.

The report purports to outline what services will be lost by breaching the LSRD, and how much it would cost to replace those services. However, the report authors fail to address the impact downriver of the immediate LSRD area, and did not consider the damage to Oregon's economy, or the costs to Oregon's power grid and transportation system. In fact, only five Oregonians were consulted for the report and none from Oregon's business or energy sectors. The State of Washington will not bear the burden of breaching the LSRD alone, and the report should explicitly outline how every state and sector in the region will be impacted.

Over the last decade, the State of Oregon has acted aggressively to pass a significant body of laws to address climate change and has promulgated dozens of rules aimed at reducing greenhouse gas (GHG) emissions. In 2021, the Legislature passed the 100% clean energy bill, which sets an ambitious goal of 100% clean electricity by 2050.

Through Executive Order (EO) 20-04 signed in 2020, Governor Kate Brown directed 16 state agencies, boards and commissions to engage in rulemaking to reduce GHG emissions 80% by 2050. These actions now regulate or will soon regulate transportation, liquid and gaseous fuels, landfills, food waste and land use rules restricting vehicle use. In response to the EO, state agencies established zero emissions vehicle sales mandates for medium- and heavy-duty trucks and passenger vehicles, invested in the electrification of our transportation sector through well over \$100 million in EV charging infrastructure, will update regulations to reduce employee commuting and much more.

Businesses struggling under the burden of these regulations are stunned at the idea of removing 1,000 megawatts of clean, reliable, affordable energy from the region. The enormous shift to electrification means that Oregon will need every possible megawatt available.

Options to replace this power and achieve the ambitious regulatory targets mandated by the state are limited. The highest-productivity locations for wind and solar energy have largely been developed, and siting new locations will be costly. Oregon's strict land use system, permitting process, and landowner challenges, will make it extremely challenging to build the scale and number of projects needed. Assuming this is achievable, we know from studies conducted in 2020 that losing the LSRD will result in a minimum rate increase of 25% which will have significant impacts on small and large businesses, hospitals, nonprofits, schools and all Oregonians.

The report fails to acknowledge the impacts to Oregon's transportation system, which are already significantly underfunded and in dire need of improvements. If the LSRD were breached, we would need significant infrastructure investments to divert the barging traffic to land transportation. If we fail to provide the necessary infrastructure, products that are currently transported via barge through Oregon ports and processed in Oregon facilities could end up on trucks diverted through the Mississippi River system, taking away economic benefits from the Pacific Northwest. Such an alternative would significantly increase GHG emissions rather than decrease them.

In short, we do not believe that it is feasible to replace the carbon-free dispatchable power, low-emitting barging, and the irrigation gallon for gallon that are provided by the LSRD. Despite the results of an exhaustive 2020 Environmental Impact Study on Columbia River System Operations that recommended the continued operation of the LSRD, politicians and advocates in Washington are relying on incomplete data in concluding that the only path to a healthy river is dam breaching. We believe we can have a healthy economy and a healthy river by preserving the dams and continuing data-driven salmon restoration work. We urge policymakers to consider the full impacts on our region and ask that you support the LSRD and the entire Federal Columbia River Power System.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Sharla Moffett". The signature is written in a cursive, flowing style.

Sharla Moffett  
Director  
Energy, Environment, Natural Resources & Infrastructure

Cc: Senator Ron Wyden  
Senator Jeff Merkley  
Governor Kate Brown