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**SUBSTITUTE SENATE JOINT MEMORIAL 8026**

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**State of Washington 57th Legislature**

**2002 Regular Session**

**By** Senate Committee on Environment, Energy & Water (originally sponsored by Senators Fraser, Honeyford and Regala)

READ FIRST TIME 01/24/2002.

1 TO THE HONORABLE GEORGE W. BUSH, PRESIDENT OF THE UNITED STATES,  
2 AND TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF  
3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE  
4 UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE OFFICE OF MANAGEMENT  
5 AND BUDGET, AND TO THE HONORABLE SPENCER ABRAHAM, SECRETARY OF THE  
6 UNITED STATES DEPARTMENT OF ENERGY:

7 We, your Memorialists, the Senate and House of Representatives of  
8 the State of Washington, in legislative session assembled, respectfully  
9 represent and petition as follows:

10 WHEREAS, The Bonneville Power Administration owns and operates over  
11 fifteen thousand circuit miles of transmission lines in the Pacific  
12 Northwest, constituting more than three-fourths of the high-voltage  
13 transmission grid in the region; and

14 WHEREAS, The Bonneville Power Administration operates its  
15 transmission system to meet its public responsibility of ensuring  
16 transmission access to independent power producers and other wholesale  
17 electricity providers in order to provide the region with a reliable  
18 and competitive wholesale electricity market; and

19 WHEREAS, The Bonneville Power Administration and other northwest  
20 transmission owners currently have limitations on their ability to move  
21 power from where it is produced to where it is needed, leaving the

1 region potentially vulnerable to the same sort of transmission problems  
2 that have afflicted California; and

3 WHEREAS, The Bonneville Power Administration has significant  
4 limitations on its ability to move power from eastern Montana to the  
5 Seattle area, from the John Day Dam area on the Columbia River to  
6 Seattle, and from the McNary Dam area on the Columbia River to  
7 Portland; and

8 WHEREAS, In response to last year's energy crisis, a tremendous  
9 amount of new electricity generation is in various stages of planning,  
10 permitting, and construction for the northwest, which will place  
11 additional demands on the region's transmission system; and

12 WHEREAS, In many cases, integration of new generation will require  
13 the Bonneville Power Administration to undertake major work to install  
14 new equipment, such as circuit breakers, and to reinforce existing  
15 transmission lines to carry the new power; and

16 WHEREAS, On a more fundamental level, the existing transmission  
17 system is at or near its limit in what it can carry, which threatens  
18 the Bonneville Power Administration's ability to keep the lights on;  
19 and

20 WHEREAS, Wholesale power deregulation, beginning in 1992, has  
21 resulted in rapid increases in the use of the region's transmission  
22 system and also reduced investments in it; and

23 WHEREAS, In response to wholesale power deregulation, the  
24 Bonneville Power Administration was under pressure to cut costs,  
25 resulting in reducing its staff by over one thousand people and using  
26 new control systems and capacitors to squeeze more performance out of  
27 the existing transmission system rather than stringing new lines; and

28 WHEREAS, Today, nearly all of the margin has been squeezed out of  
29 the system, making it increasingly difficult to schedule maintenance  
30 activities and ensure system reliability; and

31 WHEREAS, Through its planning process, the Bonneville Power  
32 Administration's Transmission Business Line had included \$1.3 billion  
33 in its estimated capital budget for fiscal years 2002 through 2006,  
34 which would cover the basics of replacing some aging transmission  
35 facilities, reinforcing connections to existing customers, and  
36 interconnecting with some new generation; and

37 WHEREAS, This estimate was made before the explosion of proposals  
38 for new generation came on the scene last winter, and it now estimates  
39 it will need even more money to remove constrained paths, cope with new

1 demands for power, and integrate the new generation that will be built  
2 over the next few years; and

3 WHEREAS, The cost of the additional money the Bonneville Power  
4 Administration needs to construct the new transmission projects will be  
5 self-sustaining, paid for in part by developers of the new power  
6 projects and in part by revenues expected from the increased use of  
7 transmission resulting from the new generation being built; and

8 WHEREAS, The region simply cannot wait several more years until the  
9 new Regional Transmission Organization, RTO West, is fully functioning  
10 in its new role as the planner and ensurer of adequate regional  
11 capacity; and

12 WHEREAS, The Governors of twelve western states affected by the  
13 Bonneville Power Administration have universally supported its request  
14 for new borrowing authority to enable that federal agency to build  
15 transmission to reinforce its system; and

16 WHEREAS, The Governors in the Western Interconnection are currently  
17 developing a plan to streamline and coordinate interstate transmission  
18 siting and have signed a Memorandum of Understanding with five federal  
19 agencies to create a framework for these agencies to cooperate with  
20 states in the review of any proposed transmission lines; and

21 WHEREAS, The major challenges in siting long distance transmission  
22 lines in the west have typically involved crossing federal lands;

23 NOW, THEREFORE, Your Memorialists respectfully pray that Congress  
24 and the President approve an additional \$2 billion in Federal Treasury  
25 borrowing authority needed by the Bonneville Power Administration for  
26 capital improvements to the Federal Columbia River Power System,  
27 principally for the purpose of making critical transmission  
28 infrastructure investments.

29 BE IT RESOLVED, That Congress should require the Federal Energy  
30 Regulatory Commission to defer to state and regional interstate  
31 transmission siting processes and to not preempt state authority in  
32 this area; and

33 BE IT RESOLVED, That copies of this Memorial be immediately  
34 transmitted to the Honorable George W. Bush, President of the United  
35 States, the Office of Management and Budget, the Honorable Spencer  
36 Abraham, Secretary of the United States Department of Energy, the  
37 President of the United States Senate, the Speaker of the House of

1 Representatives, and each member of Congress from the State of  
2 Washington.

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