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**SUBSTITUTE HOUSE JOINT MEMORIAL 4003**

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**State of Washington                      58th Legislature                      2003 Regular Session**

**By** House Committee on Technology, Telecommunications & Energy  
(originally sponsored by Representatives Wallace, Morris, Kenney,  
Conway, Eickmeyer, Linville and Wood)

READ FIRST TIME 01/17/03.

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 HONORABLE SPENCER  
5            ABRAHAM, SECRETARY OF THE UNITED STATES DEPARTMENT OF ENERGY:

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

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

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

18           WHEREAS, The Bonneville Power Administration and other northwest  
19           transmission owners currently have limitations on their ability to move

1 power from where it is produced to where it is needed, leaving the  
2 region potentially vulnerable to the same sort of transmission problems  
3 that have afflicted California; and

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

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

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

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

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

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

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

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

1           WHEREAS, The Bonneville Power Administration now estimates it will  
2 need even more money for fiscal years 2003 through 2007 to remove  
3 constrained paths, cope with new demands for power, and integrate the  
4 new generation that will be built over the next few years; and

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

10           WHEREAS, The region simply cannot wait several more years until the  
11 new Regional Transmission Organization, RTO West, is fully functioning  
12 in its new role as the planner and builder of new transmission; and

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

17           WHEREAS, The Governors in the Western Interconnection have signed  
18 a Memorandum of Understanding with five federal agencies to create a  
19 framework for these agencies to cooperate with states in the review of  
20 any proposed transmission lines and have developed a protocol to  
21 streamline and coordinate interstate transmission siting as a step  
22 toward implementing the memorandum; and

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

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

31           Your Memorialists further respectfully pray that Congress require  
32 the Federal Energy Regulatory Commission to defer to state and regional  
33 interstate transmission siting processes and to not preempt state  
34 authority in this area.

35           BE IT RESOLVED, That copies of this Memorial be immediately  
36 transmitted to the Honorable George W. Bush, President of the United  
37 States, the Honorable Spencer Abraham, Secretary of the United States

1 Department of Energy, the President of the United States Senate, the  
2 Speaker of the House of Representatives, and each member of Congress  
3 from the State of Washington.

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