

Removing dams



H&N file photo by Jill Aho
J.C. Boyle Dam is one of four dams on the Klamath River that would be removed as part of the implementation of the Klamath Basin Restoration Agreement.

Bill that is key part of water agreement is making its way through the state Legislature

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After years of negotiations, legislation that could lead to the removal of four Klamath River dams has moved through the Oregon Senate and is now being considered by the state House of Representatives.

Senate Bill 76, which caps the cost of dam removal liability to Oregon PacifiCorp customers at \$180 million, passed the Oregon Senate Tuesday. It could be considered in a House committee next week and voted on by mid March.

On Thursday, lawmakers were discussing amendments that would specifically provide liability protection for hazardous substances.

Under the bill, PacifiCorp, which owns the dams, would be allowed to place a surcharge of about \$1.50 a month on PacifiCorp's 550,000 Oregon customers. Agricultural power users would see an increase of about 2 percent. The charge would be collected from 2010 to 2020 and raise \$180 million toward dam removal.

The power company's 50,000 California customers, including all of Siskiyou County and most of Modoc County, would generate another \$20 million over the same period.

That \$200 million would be supplemented by another \$250 million from a California general obligation bond, which must be approved by voters by 2012.

Dam removal is key to implementation of the Klamath Basin Restoration Agreement, which allocates Klamath River water and resources among fisheries, tribes, irrigators and conservationists.

The bill was proposed by Gov. Ted Kulongoski as part of an agreement involving PacifiCorp, the states of Oregon and California and the federal Department of the Interior. It was supported by Democrats, who hold a Senate majority. The bill passed the Senate 18-12. Democrats hold an even larger majority in the House.

State Sen. Doug Whitsett, a Klamath Falls Republican, opposed the bill because he doesn't believe it

provides guarantees that ratepayers and Oregon taxpayers won't be financially liable for costs above \$450 million.

"It doesn't say who is liable, only who isn't," Whitsett said.

He hopes the House will add amendments that better clarify liability concerns. He expects the bill, because of its strong backing by Kulongoski, to eventually pass.

"I haven't been naive enough to think I could stop it. My goal has been to make it better, to protect the ratepayers and the taxpayers," he said.

State Reps. Bill Garrard and George Gilman, whose districts include Klamath and Lake counties, both oppose the bill.

"The general populace is against dam removal simply because they're against dam removal," said Garrard, who plans to speak against the bill. "Show me a good reason to take them (the dams) out. No one has."

Gilman agreed with Garrard.

"I will not support the bill," he said. "I have yet to be convinced that we need to remove the dams. I have not seen results of the sediment tests behind the dams."

Garrard said he agreed with proponents who say PacifiCorp customers will face rate increases whether or not the dams are removed. He noted cost estimates for installing fish ladders, one of the possible items that would be required under re-licensing, is \$350 million.

Proponents insist SB 76 protects those customers and the state of Oregon if dam removal associated costs exceed \$450 million. In a letter to state Sen. Jackie Dingfelder, who requested a state Department of Justice overview of the bill, assistant attorney general Kurt Burkholder said the bill would not increase the low risk of possible liabilities.

Department of Interior report

A recently released Department of Interior report that indicates liability costs for removing four Klamath River dams could be between \$466 billion and \$837 billion.

It also says the four dams would create a high potential for litigation because of sediment damage to downstream fisheries and the aquatic ecosystem, and probably result in the Keno dam going to the Bureau of Reclamation or another entity.

But the document was heavily criticized by a variety of Interior reviewers who challenged cost figures, assumptions and other data. Of the 264 comments, many are highly critical.

The report, prepared by Camp Dresser & McKee for the Department of the Interior through the U.S. Bureau of Reclamation, was released last July and intended for the department's internal use.

Officials said it was being made public "to insure the parties negotiating a final settlement/dam removal agreement have access to this information..."

In a statement, Interior officials said, "We understand the potential for those who oppose dam removal to identify isolated portions of the analysis and postulations ... but because the Secretary will undertake his own analysis ... these postulations are of limited applicability."