

## Attachment C

# Putting the Power System Benefits of Reduced Summer Spill into Perspective

*By the NW Energy Coalition and Save Our Wild Salmon Coalition*

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Spill Reduction Proposal	Additional Energy Generated (aMWs) <sup>2</sup>	% Total Annual NW Load <sup>3</sup>	% Total Annual BPA Load <sup>4</sup>	Savings in Average Residential Electricity Bills per Month After "Offset" Expenses <sup>1</sup>		
				PGE (Portland Area) <sup>5</sup>	Seattle City Light (Seattle Area) <sup>6</sup>	Full Requirements Customers <sup>7</sup>
Eliminate spill in August; reduced spill at Bonneville, John Day, and Ice Harbor dams in July	138	0.69%	1.38%	\$0.11	\$0.16	\$0.52

Energy and financial impacts data based on *Preliminary Proposal for Federal Columbia River Power System Summer Juvenile Bypass Spill Operations*, by the Bonneville Power Administration and U.S. Army Corps of Engineers (March 30, 2004)

Analysis by Steve Weiss, Senior Policy Analyst, **NW Energy Coalition** and Andrew Englander, Policy Analyst, **Save Our Wild Salmon Coalition**

<sup>1</sup> Assumes 1,000 kw-hrs per month. Average savings per month, annually. "Offset" expense assumption is an average of the range (\$33.9-38.9 million) of BPA's estimated "savings" after funding known and yet-to-be-determined biological offsets. BPA says that known offsets in this estimate are only half what is needed, with the other half a "placeholder." Therefore, it is likely that the offset expenses could be considerably higher. In addition, since in most years the extra generation would be sold into the market, the extra supply will force the price down, resulting in less revenue received for this and other power BPA is selling. Thus, this estimate of rate reduction is overly generous.

<sup>2</sup> According to BPA, spill is worth an average of 1450 MWs in July and August. BPA's proposal is for no spill in August and about 1/7th of that in July. The number here is that amount of energy averaged over a year.

<sup>3</sup> Compared to the total energy annual output of the NW, about 20,000 aMWs.

<sup>4</sup> BPA generates about half of the Pacific Northwest's power.

<sup>5</sup> PGE's residential customers receive a credit from BPA of about \$7.00/mo. We assume it would be increased by the same percentage as BPA's preference rate--about \$.001 for each \$70 million in reduced revenue.

<sup>6</sup> Seattle City Light's customers get about 30% of their power from BPA, so the bill affect is 30% that of full requirements customers.

<sup>7</sup> Full requirements customers get 100% of their power from BPA. \$70 million in reduced revenues changes their rate by about \$.001/kwh.