July 2010
United States Entity

Columbia River Treaty initial report kicks off public process

A regional conversation begins

Since 1964, the Columbia River Treaty has brought benefits to both the United States and Canada by providing a cooperative way to regulate a valuable resource that both countries share — the Columbia River. Under the Treaty, the two nations jointly manage the river for power generation and flood control as it flows from British Columbia into the United States. The Treaty is widely praised worldwide as a model of international cooperation in the management of a large trans-boundary river.

Although the Treaty has no termination date, it does have two provisions that take effect on and after September 16, 2024, that will change how flood control is implemented between Canada and the United States, and that may impact power benefits as well. In general, the two provisions are:

Flood control

Canadian flood control obligations to the United States will automatically change from a pre-determined annual operation to an operation where the United States must request flood control storage space, referred to as “Called Upon,” from Canada. The transition to this requested flood control operation and Canada’s obligation to help the United States for flood control continues regardless of whether the Treaty is terminated or not. However, post-2024 provisions limit access to Called Upon storage only for flood events that cannot be adequately controlled by available flood control storage in the United States.

Treaty termination

The Columbia River Treaty provides the option for either country to terminate the Treaty no earlier than 2024, with a minimum of 10 years’ notice. Absent any decision regarding termination or renegotiation, the Treaty will continue with its current terms indefinitely with the flood control change still occurring regardless of this Treaty decision.

Preparing for 2024

The U.S. Entity charged with implementing the Treaty includes the Administrator of the Bonneville Power Administration and the Division Engineer of the Northwestern Division of the U.S. Army Corps of Engineers. The U.S. Entity has been working with its Canadian counterpart, British Columbia Hydro and Power Authority, to review the flood and power implications associated with these provisions. A preliminary report of the study is now complete. Called the Phase 1 Report, it evaluates the impacts of power and flood control under three scenarios:

- The Treaty continues with the automatic change in flood control operations in 2024.
- The Treaty is terminated with the automatic change in flood control operations in 2024.
- The Treaty continues but, contrary to the post-2024 provisions in the Treaty, the flood control operations do not change from their current obligations. This third study also provides a basis to compare and investigate the benefits Canada receives from the increased downstream power generation, called the Canadian Entitlement, under pre-2024 conditions.

Power generation study results

When the Treaty was initially crafted, it was thought that the Canadian Entitlement energy return to British Columbia would significantly decrease over time. That has not happened and, in reality, the Entitlement has been fairly steady. In order to consider how the quantity of Entitlement return energy might change in the future if the Treaty continues, the Phase 1 studies took a look at its possible value over the next 15 to 35 years.

Although these results are premised on the accuracy of the energy loads and resources assumed in the studies for the years 2024 and 2044, the results did show a decline in the Entitlement energy (not capacity) over

time, decreasing from the current level of about 570 average megawatts to about 290 average megawatts by the year 2040. That's a value of about $200 million to $350 million annually for Canada. The estimation of the Canadian Entitlement, however, is heavily influenced by the estimate of future conservation growth and the integration of renewable resources, both of which work to slow the decline in the amount of Entitlement, issues which will need to be addressed in future work.

In addition, the total overall average annual hydro energy production in Canada and the United States did not change much between the two scenarios of the Treaty continuing or terminating. However, the month-to-month amount of generation did vary between the scenarios.

Flood control study results

The Treaty limits access to Called Upon storage only for flood events that cannot be adequately controlled

by all related storage in the United States. As a result, the approach and modeling of "effective use" of U.S. flood control space in the Phase 1 studies resulted in U.S. reservoirs being drawn down more frequently and deeper than current conditions, as well as a reduction in the ability to refill.

The Phase 1 studies clearly showed that the flow level, or maximum flood control objective, as measured at The Dalles Dam, is critical in determining the frequency in which Called Upon flood control operations will be required after 2024. The maximum flood control targets were only meant to capture a range of possible flow objectives and operations. Additional flood risk analysis is required to determine the most effective future flood control flow target for the United States after 2024.

Continuing the Treaty after 2024 provided a higher degree of certainty of future Canadian reservoir operations compared to terminating the Treaty. That degree of certainty was a primary driver in the Phase 1 studies in determining the volume of Canadian storage needed during Called Upon years. The average volume of Called Upon storage required to meet U.S. flood control needs (additional storage over and above planned Canadian power and local flood control drafts) increased substantially when comparing the studies with and without the Treaty.

Times have changed

The world is a different place than it was in 1964. Power and flood control are not the only relevant issues when determining how to best manage the resources of the Columbia River for the common good. Although the Phase 1 Report focused on power and flood control as a baseline, the U.S. Entity — whose member organizations' missions and statutory responsibilities have evolved to include responsibilities to manage natural resources and protect fish and wildlife — will address many other factors such as protection of fish and wildlife, irrigation, recreation, navigation, the increasing demand for energy, variable resource integration and tribal cultural rights. The U.S. Entity has already done a very preliminary look at how fish operations might be affected using the Phase 1 studies as a starting point. Findings from this study will be available in an upcoming supplemental report. In addition, scientific knowledge and social awareness about climate change and ecosystem health have emerged, and these issues will also be addressed in subsequent studies that will be used to develop recommendations for the Treaty's future.

The Phase 1 study represents the first step in a comprehensive public engagement process that will consider a much broader range of issues than power and flood control, such as the protection of fish and wildlife. The report gives the region a foundation to have an educated conversation about the future of the Columbia River Treaty.

The regional conversation, along with any additional studies and evaluations that are necessary, make up the Columbia Treaty 2014/2024 review. This multi-year

Libby Dam, Montana

process will enable the U.S. Entity to make an informed recommendation to the U.S. Department of State as to whether or not it is in the best interest of the United States to continue with the Treaty under the provisions that take effect in 2024, terminate the Treaty or seek to negotiate with Canada to amend the Treaty.

Who is in charge of the process?

The Treaty gave both the United States and Canada the responsibility to designate an Entity for each respective country to carry out and implement the Treaty.

When the BPA Administrator and Corps Northwestern Division Engineer act in their capacity as the U.S. Entity, they are acting on behalf of the U.S. government to carry out its duties under the Treaty in the best interests of the people of the United States, rather than on behalf of the Executive Branch agencies they otherwise represent. The Corps of Engineers also has a legal mandate to protect public health and safety, which is fully consistent with the U.S. Entity's objective under the Treaty to contribute to the general welfare of our nation's citizens in the Columbia River basin.

What happens next

The release of the Phase 1 Report is important not only for sharing the findings of initial studies with the region, but also for kicking off a multi-year regional conversation to address a broader range of resource management issues related to the Columbia River. The goal of the U.S. Entity is to provide a recommendation regarding the best interest of the United States with respect to the future of the Treaty by 2014. The U.S. Entity will ensure an open, collaborative and regionwide engagement process to hear all voices in the Pacific Northwest that want to be heard. The U.S. Entity is asking interested parties to read the report and use it as a starting point to help identify the studies necessary to best understand Treaty alternatives and options. We will also be meeting with tribal and state governments and other policy leaders to find out the best way to engage the region.

For more information on the Columbia River Treaty review effort, to contact the Columbia River Treaty Review team, or for technical reports, go to *http://www.crt2014-2024review.gov/*. You can also send e-mail messages to the Columbia River Treaty Review team at *treatyreview@bpa.gov*.

This publication of the 2014/2024 Columbia River Treaty Review was developed to inform you of issues surrounding the Columbia River Treaty. It is published by the U.S. Entity, which includes the Bonneville Power Administration and the U.S. Army Corps of Engineers. For more information, call the Bonneville Power Administration at 1-800-622-4519 or the U.S. Army Corps of Engineers at (503) 808-4510.

BONNEVILLE POWER ADMINISTRATION

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