

Approximately 300,000 Utah households receive electricity generated at Flaming Gorge Dam and Glen Canyon Dam. Utah's Rural Electric Cooperatives and municipal power systems started purchasing power from these projects after they were completed in the 1960s.

The March 16 Memorandum from Energy Secretary Chu proposes that there should be development of various initiatives through the PMAs without defining who will pay for these initiatives. When the hydropower program began participating utilities paid higher costs for electricity in anticipation of having access to power and affordable rates in the long term. PMA customers have paid for all of the costs associated with the generation and transmission of the hydropower at these facilities, including repayment of the initial federal investment, with interest, as well as ongoing operation and maintenance. As part of the cost of federal hydropower the utility purchasers of Flaming Gorge and Glen Canyon power must also pay for the cost of irrigation projects which are beyond the ability of irrigators to pay. The language in your memorandum implies unknown costs could now be passed on to these customers for non-hydro renewable energy development, energy efficiency, cyber security and electric vehicle deployment – all policy goals of the administration seeking a funding source. Moreover, it is apparent the proposal moves away from a successful model of local stakeholder input to a Washington, D.C. based “top-down” approach.

I believe these proposals advocate a fundamental shift by the Department of Energy to use PMA customers as a funding source for DOE projects and sidestep the role of Congress in debating and overseeing the federal hydropower program. I encourage a return to the existing PMA model that has a history of success and include stakeholder consultation and collaboration with Congress before embarking down this proposed path.

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