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CRAIG AMENDMENT PREVENTS BPA RATE HIKE

Burns, Murray cosponsor amendment to supplemental

WASHINGTON, D.C. – In a markup today before the Senate Appropriations Committee, Idaho Senator Larry Craig, a member of the committee, teamed with members of the Northwest Congressional Delegation to prevent the Bonneville Power Administration (BPA) from implementing a rate case that could result in a 10 percent increase in power rates for Northwest customers.

In February, the Office of Management and Budget (OMB) directed BPA to implement a new rate case to use excess revenues to retire long-term debt more quickly. Because the change would be made through the rulemaking process, congressional approval would not be needed for the rule to go into effect. Analysts believe it would result in a 10 percent rate increase that BPA would be forced to pass on to ratepayers.

To prevent the rule from taking effect, Craig was joined today by Senator Conrad Burns (R-Mont.) and Senator Patty Murray (D-Wash.), both fellow members of the Appropriations Committee, in adding a provision to the supplemental appropriations bill for Iraq and Hurricane Relief spending. The provision prohibits BPA from implementing OMB's proposal from the time the bill becomes law until April 1, 2007.

"This is not a partisan issue. This is a Northwest issue, as the support of the entire Northwest Delegation for the amendment demonstrates," Craig said. "Our region was built on cheap power, and we will not allow our economy and working families to be threatened by uninformed attempts to raise revenue for the federal government.

"OMB's rule fails to account for the complexities and uncertainties of hydro-based power systems. Our amendment will call for a time-out, so the region, Congress, OMB and the Department of Energy can work together, rather than force a mandate from Washington, D.C. We hope this sends a clear message to OMB to work with the Northwest Delegation on BPA issues, rather than develop energy policy in a vacuum."