

**Alcoa Primary Metals**

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Department of the Army  
Walla Walla District, Corps of Engineers  
201 North Third Avenue  
Walla Walla, WA 99362-1876

RE: Lower Snake River Juvenile Salmon Migration Feasibility Report

Dear Army Corps of Engineers:

Salmon are important in the Northwest. Not only because they are a source of recreation and commercial harvest, and not only because several runs are weak, and some are listed under the Endangered Species Act. Salmon are important because they are a part of who we are. They have been a part of Northwest culture since before written history.

But salmon are not the only aspect of our Northwest culture. We have other values. We prize our independence, and the economies of small communities throughout the Northwest that depend on irrigation, recreation, transportation and low-cost, clean electricity that are necessary for our way of life.

We need to understand why salmon runs are weak, and discover feasible ways to recover weak, threatened and endangered runs without sacrificing our other values. That is why your Report is important. It helps us understand more about the survival of Snake River Salmon, and the effectiveness and impacts of possible alternatives to assist their recovery. It helps us make rational decisions.

We very much appreciate the candor of your report. You recognize that even with the best science available, we cannot predict with great certainty what will happen to a number of salmon runs no matter what actions we take. There are still too many variables, and too many unknowns. Perhaps in the future with more knowledge about weather, ocean conditions, habitat, hatcheries and the impacts of hydroelectric dams, we will be able to predict with certainty the impacts of our human decisions, and make scientifically-based intelligent choices. But your report makes it abundantly clear that our ability to do that today is limited.

In the light of all this uncertainty about salmon, officials involved with salmon recovery have tended to be "risk averse" and to take actions that they think might have a chance of helping the salmon. They lean towards these measures even though the effectiveness of the action is uncertain, and there are known adverse impacts to our other values. In truth, this "risk averse" mentality is a fallacy. It is a simplistic way of avoiding hard, complex decisions, and a poor model for making public policy. We need to look at all data, and make decisions that consider all the impacts, both certain and potential. Calls for breaching the 4 lower Snake River dams is a prime example of this misplaced logic.

Your models show that under some assumptions, breaching these dams could produce a significant salmon benefit, but that with different assumptions there is little or no benefit. At

the same time we know that breaching these dams will, without a doubt, cause significant negative impacts on other parts of our society. If the dams are breached, we will lose clean power supplies that will likely be replaced by higher-cost, more-polluting supplies. People who depend on irrigation, recreation and transportation from the Snake River will be harmed. Food supplies will be reduced. Additional trucks will clog our highways, burn our petroleum sources and pollute our air. All of this will happen because we think it may help the salmon. This is a bad tradeoff, and poor public policy. We should not decide to breach the lower Snake River Dams based on the information we have today.

The economic impact of breaching these dams has been underplayed. In issue 3 of "*Conservation of Columbia Basin Fish*" published by the Federal Caucus, the economic effects are discussed. The report states:

"Natural river drawdown would cause an increase in electricity rates throughout the Pacific Northwest of between 1.9 percent and 6.7 percent. This increase would be expected to have little social and economic effect because of the existing low electricity rates throughout the region."

This statement grossly underestimates the impacts on electricity-dependent manufacturing facilities such as ours.

1  
First of all, the percentage rate increase across the Northwest would be considerably higher for us than that average. Delivered power costs are composed of generation costs and delivery costs. Delivery costs on a per-kilowatt-hour basis are much higher for typical residential consumers than for our large, steady loads. This means that while a 12% increase in generation costs might result in a 6% increase in total electricity costs for a typical consumer, the percentage increase to us would be much higher.

Second, while residential power rates in the Northwest are considerably below national averages, rates for aluminum smelters in the Northwest are higher than those of like facilities around the world. Since power costs are a major factor in the ability of aluminum smelters to compete, it is simply not true that natural river drawdown will have little social and economic effect. This is especially true in locations like Ferndale, which depend on aluminum smelters for a large part of their economic base.

On behalf of the 1,000 people that are directly employed at Intalco, and the people in our community that are impacted by that employment, I urge you to reject lower Snake River drawdown alternatives.

Sincerely,



Jim Frederick  
Sr. Vice President and General Manger  
Intalco Aluminum Corporation