



Legislation Text

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Clerk 03/18/2005

A MOTION opposing federal budgetary provisions for increasing Bonneville Power Administration rates, and opposing additional limitations on the Bonneville Power Administration's borrowing authority.

WHEREAS, the fiscal year 2006 ("FY 2006") federal budget proposal includes provision to require the Bonneville Power Administration to raise its rates to levels that will eventually reach wholesale "market-based" rates, and

WHEREAS, the FY 2006 budget proposal also includes provision for third-party financing arrangements for Bonneville to be restricted by Bonneville's borrowing authority limits, and

WHEREAS, the northwest regional economy has, in recent years, suffered unemployment rates among the highest in the nation, and

WHEREAS, the region has been heavily impacted in recent years by shocks to the economy associated with the manipulation of west coast energy markets, and

WHEREAS, the regional economy is centrally dependent upon the availability of a steady, reliable, reasonably priced energy supply to support its recovery from economic recession, and

WHEREAS, the restrictions on the Bonneville Power Administration's ability to enter into third-party financing arrangements could impede the addition of needed upgrades to the region's electric transmission capacity, and

WHEREAS, with continued population growth in the Northwest, and the consequent increasing congestion of the regional energy grid, it is important that corresponding investments to transmission capacity

be made to ensure the availability of needed energy supplies, and

WHEREAS, the federal Office of Management and Budget has encouraged the use of third-party financing, instead of direct power marketing administration funding, to support such investment;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

A. The council opposes the proposal in the FY 2006 federal budget to raise Bonneville Power Administration rates such as to eventually achieve "market-level" rates; and

B. The council opposes the proposed requirement for tying third-party financing arrangements by the Bonneville Power Administration to its borrowing authority limits.