

**Resolution**  
**Washington Rural Electric Cooperative Association**  
**Board of Directors**

**Seeking Full Disclosure of ESA-Related Costs in Federal Power Rates**

The Washington Rural Electric Cooperative Association (WRECA) fully supports the goals of the Endangered Species Act of 1973 (ESA) and believes that appropriate enforcement has been effective in mitigating the causes of the endangerment of many species. When borne by the U.S. taxpayers, the costs of such mitigation efforts are controlled by the U.S. Congress when it enacts an annual budget for the U.S. government.

However, there are instances when the mitigation efforts for certain endangered species are the responsibility of specific Federal agencies which then pass the costs of those efforts on to their customers, mostly in rates for electric power produced at federal dams and sold through the Federal power marketing administrations. In those instances, the costs of complying with the ESA become a component of the agency's electric power rates, and are not readily discernable from the actual cost of generating or transmitting the power to the agency's customers.

WRECA believes that full disclosure of these ESA-related expenses is appropriate for the sake of better informing consumers of Federal power about the costs associated with compliance with the ESA.

**Therefore, Be It Resolved:** That WRECA calls upon the U.S. Congress to enact legislation that directs the Administrators of the Bonneville Power Administration, the Western Area Power Administration, the Southwestern Power Administration, and the Southeastern Power Administration to include in monthly billings sent to each firm's power customers information estimating and reporting the costs of each customer's share of the direct and indirect costs incurred by each administration related to compliance with the ESA. Such direct costs shall include Federal agency obligations related to study-related costs, capital, operation, maintenance, and replacement costs, and staffing costs; and indirect costs shall include foregone generation and replacement power costs, including the net costs of any transmission.

**Be It Further Resolved:** That the WRECA Board directs that the draft resolution titled Seeking Full Disclosure of ESA-Related Costs in Federal Power Rates be presented to the Regional Resolutions Committee for Region IX of the National Rural Electric Cooperative Association (NRECA) for adoption as a Regional Meeting Proposed Resolution.

**Be It Further Resolved:** That the WRECA Board of Directors expresses its appreciation to U.S. Rep. Cathy McMorris of Washington's 5<sup>th</sup> Congressional District who, along with Rep. Norm Dicks of the 6<sup>th</sup> Congressional District and Rep. Doc Hastings of the 4<sup>th</sup> Congressional District, initiated such legislation during the 109<sup>th</sup> Congress.

Adopted this 8<sup>th</sup> day of August, 2006.