

**Testimony of Sonya Baskerville
Manager for National Relations
Bonneville Power Administration
Before the
Subcommittee on Indigenous People of the United States
Committee on Natural Resources
U.S. House of Representatives
September 19, 2019**

On

S. 216 Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act.

Good afternoon, Chairman Gallego, Ranking Member Cook, and members of the Committee. My name is Sonya Baskerville, and I am Manager for National Relations for the Bonneville Power Administration (Bonneville). I am pleased to be with you today to provide information about S. 216, the Spokane Tribe of Indians of the Spokane Reservation Equitable Compensation Act.

Bonneville is a Federal Power Marketing Administration within the U.S. Department of Energy and is headquartered in Portland, Oregon. Bonneville markets the electric power produced from 31 Federal hydroelectric projects owned by the U.S. Army Corps of Engineers and the Bureau of Reclamation. Bonneville also acquires non-Federal power, including the power from one nuclear power plant, the Columbia Generating Station, to meet the needs of its customer utilities.

S. 216 would provide compensation to the Spokane Tribe of Indians “for the use of tribal land for the production of hydropower by the Grand Coulee Dam.” Construction of Grand Coulee Dam and the creation of Lake Franklin D. Roosevelt was on lands held in trust by the United States for the Spokane Tribe and the Confederated Tribes of the Colville Indian Reservation (the Colville Tribes). In 1994, Congress approved a settlement agreement with the Colville Tribes establishing annual payments by Bonneville to the Colville Tribes. Bonneville’s cost of making these annual payments is recovered in the power rates for its sale of Federal electric power.

Mr. Chairman, the Administration has not taken a position on S. 216. Therefore, my testimony will explain Bonneville’s role in implementation of S. 216, if enacted, and the financial effect on Bonneville.

The compensation to the Spokane Tribe in S. 216 would be in annual payments, beginning on March 1, 2022, for Fiscal Year 2021, based on 25 percent of the prior fiscal year payments made to the Colville Tribes. Beginning no later than March 2030 and in subsequent years, the annual

payment would increase based on 32 percent of the prior fiscal year payment made to the Colville Tribes. It is important to note that transaction of the first payment established by S. 216 would extinguish “all monetary claims that the Spokane Tribe has or may have against the United States to a fair share of the annual hydropower revenues generated by the Grand Coulee Dam . . . for past and continued use of land of the Spokane Tribe for the production of hydropower at Grand Coulee Dam.”

Bonneville is obligated under its own statutes to set its rates to fully recover its costs. The annual costs for the payments established in S. 216 would be included in Bonneville’s costs for the purpose of setting its firm power rates. The annual payments beginning in 2021 are estimated to be about \$6 million.

Bonneville estimates that these annual payments would not result in perceptible rate impacts to its utility customers. Bonneville will manage those additional costs, as it does with all of its statutory obligations, through its public program budgeting and rates processes.

That concludes my testimony, Mr. Chairman, and I am happy to answer any questions from the Subcommittee.