

*The law locks up both
man and woman
Who steal the goose
from off the common*

*But lets the greater
felon loose
Who steals the common
from the goose.*

BEARING WITNESS



Northwest Resource Information Center
Columbia/Snake River Salmon Project

January 1, 2001

This document continues a 25-year tradition of bearing witness to the betrayal of the public trust that threatens extinction of Snake River salmon and steelhead populations and dependent economies.

The resulting cascade of adverse social, economic, and cultural consequences is a tragedy of epic proportions.

The ostensible agent of extinction is ill-designed Army Corps of Engineers dams.

The root cause, however, is the Columbia River Pork Alliance, a regional clique of compromised bureaucrats, entrenched pork barrel economic interests, and allied political demagogues.

They collaborate to evade the rule of law and discipline of the market. They dupe the public and decision makers with junk "science" and economic scare tactics designed to preserve the pork barrel status quo.

The late U.S. Supreme Court Justice Louis Brandeis held that "sunlight is the best of disinfectants" for failure of government and of the market.

This document and subsequent initiatives are designed to put "sunlight" on the ethical and entrepreneurial poverty of the pork barrel apologists for extinction of Snake River salmon and steelhead.

The objective is to facilitate the citizenship necessary to reclaim the Columbia/Snake River commons for the general public good while protecting legitimate private interests.

NEXT

Bearing Witness puts sunlight on the desperate effort to save endangered Snake River dams under the pretext of saving endangered salmon and steelhead—the National Marine Fisheries Service Biological Opinion and Federal Caucus "All-H" plan.

Northwest Resource Information Center
P.O. Box 458 Eagle, ID 83616
Tele: 208-939-0714 Fax: 208-939-8731
www.nwric.org
Ed Chaney, Director

Duping the Northwest and Nation

The U.S. Army Corps of Engineers' Economics of Restoring Endangered Snake River Salmon

In December 1999 the Corps concluded that breaching—partially removing—four dams on the lower Snake River in southwestern Washington to allow endangered juvenile salmon to migrate naturally in a free-flowing river would have a net economic cost of about \$246 million per year.

The Corps "cooked the books" to produce a result that does not comport with reality. Correcting only the most egregious Corps bias against breaching the dams produces net economic benefits conservatively estimated at \$800 million per year.

Snake River salmon and steelhead once comprised nearly half the total Columbia River Basin production of 10 million—15 million adult fish annually. These valuable, highly migratory fish contributed to diverse Native American Indian and non-Indian economies thousands of miles along the Pacific coast from northern California to southeast Alaska, and nearly 1,000 miles [1609 km] inland to the Continental Divide.

Many land and water development activities harmful to Snake River salmon followed Euro-American settlement of the area. However, millions of acres containing thousands of miles of pristine spawning and rearing habitat—much of which now is in Wilderness, Wild and Scenic River, or other protective status—continued to produce prodigious numbers of fish until the Corps completed the four lower Snake River dams.

The four lower Snake River dams were authorized by Congress in the waning years of the Gilded Age of profligate pork barrel politics.

Nonetheless, Congress provided that the dams were to be built and operated in a way that would preserve Snake River salmon and steelhead and dependent economies.

The Corps designed the dams with fish ladders to allow migrating adult fish to pass upstream. The Corps' design made no provision whatsoever for the resulting progeny to pass downstream.

This egregious error was not merely the unfortunate result of inattention to detail. It took effort.

Get full report at
www.nwric.org.

As each dam was completed, the cumulative, devastating effect of the Corps' error became more evident.

During years of low river flows, juvenile fish became trapped in the slack water reservoirs behind the dams. During high river flows, water spilling over the dams created deadly levels of nitrogen. At all flows juvenile fish passing through the turbines suffered high rates of immediate and delayed mortality.

Over the years the Corps spent hundreds of millions of taxpayer dollars modifying the dams and their operations trying to improve downstream migrant fish passage.

Tacking on juvenile fish passage facilities after the dams were built solely for water transportation and hydroelectric energy was analogous to trying to create airplanes by adding wings to pyramids.

The plight of Snake River salmon and steelhead quickly degenerated from

serious to critical. From 1991 to 1997 all were listed under the Endangered Species Act.

The Corps eventually declared, in effect, that in the four lower Snake River dams it had created a Salmon Doomsday Machine. It couldn't be fixed, and was so deadly that either a) all migrating juvenile salmon and steelhead had to be removed from the river and barged or trucked 400 miles to the Columbia River estuary, or b) the dams had to be partially removed—breached—to restore the free-flowing river.

In December 1999 the Corps concluded that breaching the four dams would have a net economic cost of about \$246 million per year.

The Corps' findings provided ammunition for the Columbia River Pork Alliance and allied political demagogues who are determined to preserve the pork barrel status quo at any cost—to others.

The Corps' conclusions are presented in *Summary, Improving Salmon Passage, Draft, The Lower Snake River Juvenile Salmon Migration Feasibility Report/Environmental Impact Statement*, U.S. Army Corps of Engineers, December 1999.

Reality Check

NRIC's analysis confirmed the findings of other critics: the Corps "cooked the books" to produce a desired result that does not comport with reality.

But the Corps did much more than just put a propaganda spin on the economic results of its analysis. The Corps:

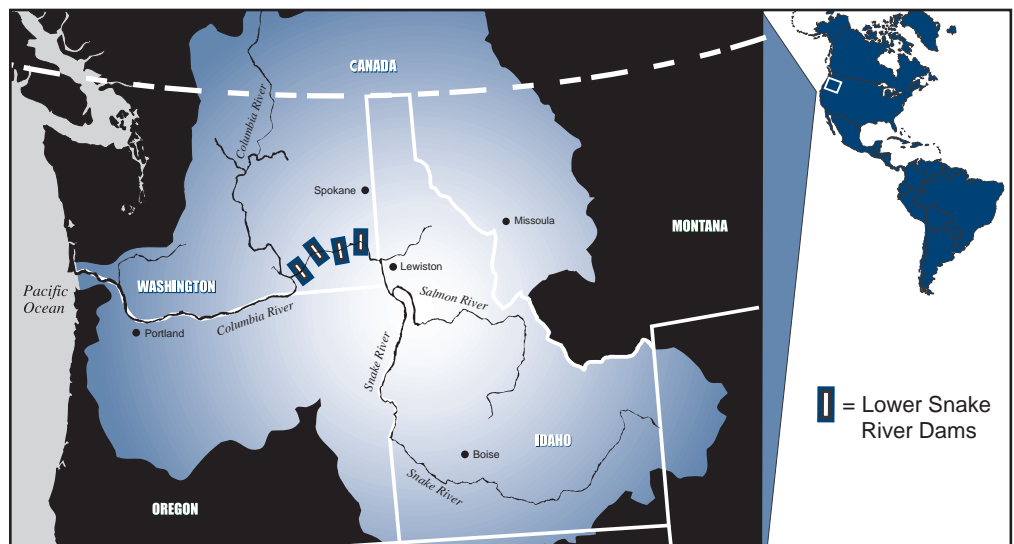
- Withheld that it negligently failed to design the four lower Snake River dams to pass juvenile salmon and steelhead as required by law.
- Attempted to "disappear" the serious juvenile fish passage problem by asserting that any such problem had been solved by . . . removing the fish from the river.

- Proposed to solve any remaining juvenile fish passage problems by removing more juvenile fish at the dams and barging them 400 miles to the Columbia River estuary, a practice which is a proven failure, and which does not meet the requirements of law.
- Exaggerated the benefits and minimized the cost of barging, and exaggerated the costs and minimized the benefits of breaching the dams.
- Attempted to pass off onto others the economic cost of remedying the Corps' own error in negligently failing to properly design the four lower Snake River dams.
- Ignored fish protection requirements of multiple laws, including laws authorizing the dams; laws establishing Wilderness Areas, Wild and Scenic Rivers, and National Recreation areas with salmon protection as a purpose; the Clean Water Act; and the Northwest Power Act, which specifically requires changes in the dams to restore Snake River salmon and steelhead to productive pre-dam levels.
- Substituted this fundamentally flawed cost/benefit approach for the legally required evaluation of the

. . . a biased picture. . . a limited and distorted image . . . underestimates benefits of [breaching] and overestimates cost . . . ignored impacts of subsidies . . . estimates of employment impacts are unrealistic and distorted . . . summary of costs and benefits is incomplete and misleading . . . incomplete, simplistic, and biased description of [breaching]. . . ignores both economic theory and empirical studies . . . unreasonably deviates from commonly accepted principles of economic analysis and ignores market prices . . .

. . . This stacking of the analytical deck conflicts with commonly accepted standards of professional economic analysis and yields results biased against the [breaching] alternative.

Economic consulting firm ECONorthwest, *Review of the DRAFT Lower Snake River Juvenile Salmon Migration FR/EIS*, prepared for Trout Unlimited, April 28, 2000.



The Columbia River is the fourth largest river in North America. From its source in British Columbia, Canada it flows 1,200 miles [1931 km] to the Pacific Ocean. It drains an area of about 260,000 square miles [673,400 km²] including southeastern B.C., most of the States of Washington, Oregon, and Idaho, and portions of Montana, Wyoming, Utah, and Nevada.

least-cost means of restoring Snake River salmon and steelhead to productive pre-dam levels.

These and other inappropriate actions systematically biased the Corps' results to create the false illusion that doing more of what 30 years of experience proves doesn't work—barging juvenile salmon and steelhead—would be economically superior to restoring the fishes' ability to do what 10,000 years of experience proves does work—migrate naturally in a free-flowing river.

The Good News

Ironically, the economic data produced to support the Corps' analysis hoists the Corps on its own petard.

- Breaching the dams and mitigating all non-energy related economic effects—e.g., effects on irrigators and waterway users—would produce net economic benefits of \$45 million per year.

- The Corps' worst-case estimate of energy-related effects of breaching would result in an estimated \$1-\$3 per month increase in the average Northwest residential electricity bill.

These rate increases are so small they couldn't be distinguished from routine monthly variations in the use of electricity. Rates still would be among the lowest if not the lowest in the Nation.

- Even if there were no salmon and steelhead benefits of breaching the dams, other economic benefits of breaching would exceed costs by several hundred million dollars per year.

- When you account for all the costs and benefits generated for but ignored or minimized by the Corps, breaching the dams would produce net economic benefits conservatively estimated at about \$800 million per year.

- Breaching the dams would produce thousands of new temporary and long-term jobs. It would help create generally larger, more diverse, and more sustainable economies in the

lower Snake River region and the Northwest.

- In addition to economic benefits, breaching would have the added benefits of belatedly complying with the oft-expressed will of the American people, of complying with the law of the land—including treaties with Native American Indian tribes, and of fulfilling moral obligations to current and future generations.

These positive results of breaching the four lower Snake River dams are the opposite of what the Columbia River Pork Alliance would have the public and decision makers believe.

Only the most unshut mind will find this surprising.

NW Power Act

The legal mandate and mechanism to correct the Corps' error in designing the four lower Snake River dams has long been in place. It's called the Pacific Northwest Electric Power Planning and Conservation Act of 1980.

Among other things, the Act: requires that Snake River salmon and steelhead be restored to productive pre-dam levels; recognizes that changes in the hydrosystem are necessary, will cost money, and will increase the cost of energy; proscribes using economic cost as an excuse for non-action; gives Bonneville the authority to acquire energy resources to ensure an economical and reliable power supply.

In NRIC v. Northwest Power Planning Council, the U.S. Court of Appeals soundly rejected arguments by Bonneville's industrial customers that fish restoration measures must meet a cost-benefit test.

The court ruled that the law prevents "power losses and economic costs . . . from precluding biologically sound restoration of anadromous fish in the Columbia River Basin . . . so long as an adequate, efficient, economical, and reliable power supply is assured."

The Columbia River Pork Alliance for two decades has successfully thwarted the letter and intent of the

The hydrosystem is perfect, absolutely perfect. If you change the hydrosystem, the little old ladies in the I-5 corridor could find themselves without heat during the next Arctic chill event.

Jack Robertson, former Deputy Administrator, Bonneville Power Administration, 1992.

You want to ruin a system that we have today that's the most cost-effective and cheap for energy production in the world. You want to ruin the economy of America and rural America . . .

John Brenden, former Montana Member, Northwest Power Planning Council.

So what do we get by removing the four Snake River dams? Shattered lives. Displaced families and communities who will have seen their livelihoods destroyed, generations of family farmers penniless, industries forced to drive up consumer costs, air pollution.

News release from former U.S. Senator Slade Gorton (R. WA.), June 27, 1999.

Our greatest threat to our three-to four-cent rates is our ability to maintain our [Idaho] hydro base. Knocking out four lower Snake River dams [located in Washington] is the beginning of the destruction of that hydropower base.

Idaho Senator Larry Craig, before the Pocatello Chamber of Commerce, December, 1998.

[breaching the dams would be like] . . . taking a sledgehammer to the Northwest economy.

Editorial page, The Oregonian, May 1, 2000.

Power Act and all previous laws with similar intent—a subject to which we turn in a subsequent *Bearing Witness*.

The Corps' tortured economic analysis of breaching the four lower Snake River dams is merely the latest installment in that unprincipled effort which perpetuates a tragedy of epic proportions.

The economic, social, and political impacts have been traumatic, and widespread.

Billions of dollars have been lost to local, state, regional, and national economies. The U.S. and Canada, states, Indian tribes, local communities, and neighbors have been pitted against each other in internecine conflict over drastically reduced supplies of fish.

Billions of public dollars already invested in salmon and steelhead habitat protection, hatcheries, and fish passage facilities, are at risk of being wasted. Billions of dollars more in future economic benefits are at risk.

Treaties with Northwest Indian tribes and Canada have in practical effect been abrogated. The intent of laws and social contracts with all people of the Northwest and Nation have been thwarted. Government has been corrupted.

National Marine Fisheries Service, Bonneville Power Administration, and the Corps propose to spend additional hundreds of millions of dollars on ill-fated diversionary measures designed to save the dams, not the fish—the subject of the next *Bearing Witness*.

And for what?

For the money, of course.

But it would be a mistake to think it's only about money.

It's about covering up and evading responsibility for egregious bureaucratic error and mismanagement.

It's about preserving the incestuous regional culture of compromised bureaucracy, crony capitalism,

monopolies, political hegemony, personal power, and sinecures that the money enables.

This is difficult not to notice. Many have made the necessary effort.

The situation cries out for a forward-looking, public interest-based, business-like investment strategy to reclaim the Columbia/Snake River commons for the general public good, while protecting legitimate private interests.

Unfortunately, the failure of governance in the Northwest to date does not bode well for a sudden outbreak of statesmanship.

But Snake River salmon and steelhead, and the four lower Snake River dams, are national assets. Their fate will be decided at the national level.

The American public and the federal courts may show little sympathy to pork barrel apologists for extinction who at general public expense are bent on evading the rule of law and the discipline of the market, and on begging their neighbors in the process.

Related Stories

Corps biased against breaching dams. Pentagon investigates Corps economic studies. Go to www.washingtonpost.com; archives; search for Snake River dams. See 9/12/00 and 12/07/00 articles by Michael Grunwald. See also U.S. Office of Special Counsel 12/06/00 and 12/11/00 entries at www.osc.gov/reading.htm.

The Corps' role in this study has been as an honest broker, serving our Nation and its citizens.

*Lieutenant Colonel William E. Bulen, Jr.,
Walla Walla District Engineer,
Army Corps of Engineers.*

Army Corps of Engineers Chain of Command From Onset of the Corps Study in 1996-To Date

Chief of Engineers

| | |
|--------------------------|----------------------|
| Lt. Gen. Arthur Williams | Aug 1992 to Oct 1996 |
| Lt. Gen. Joseph Ballard | Oct 1996 to Oct 2000 |
| Lt. Gen. Robert Flowers | Oct 2000 to Present |

Northwestern Division Engineers

| | |
|----------------------------|----------------------|
| Brig. Gen. Russell Fuhrman | Jul 1994 to Dec 1996 |
| Brig. Gen. Robert Griffin | Dec 1996 to Jul 1999 |
| Brig. Gen. Carl Strock | Jul 1999 to Present |

Walla Walla District Engineers

| | |
|---------------------------|----------------------|
| Lt. Col. James Weller | Jul 1993 to Jun 1996 |
| Lt. Col. Donald Curtis | Jul 1996 to Jun 1998 |
| Lt. Col. William Bulen | Jun 1998 to Jun 2000 |
| Lt. Col. Richard Wagenaar | Jul 2000 to Present |