<u>Recommendations of Governor Inslee and Senator Murray following the Conclusion of the</u> <u>Joint Federal-State Process on Salmon Recovery</u>

COMMUNITIES ARE WILLING TO CONSIDER CHANGES IF IT MEANS PROGRESS AND CERTAINTY

Even prior to their construction, the four Lower Snake River dams have been the subject of intense debate. This debate has pitted communities against one another in federal courts; in Olympia and Washington, D.C.; across our airwaves and newspapers; and in communities across our state. Meanwhile, over the intervening decades, the Pacific Northwest's iconic salmon runs have continued to decline, families and businesses are confronted with increasing energy costs, and the threats posed by climate change have become manifest and are multiplying.

That is why we decided to launch this joint federal-state process to evaluate the future of the four Lower Snake River Dams. This process sought to lay everything on the table – to compile existing information, solicit input from communities, Tribes, and stakeholders across Washington state and the Pacific Northwest, and try to chart a path forward. Neither of us started this process with any pre-determined conclusions. From the outset, we agreed that all possibilities must be considered regarding the Lower Snake River Dams, including breaching them as well as leaving them in place.

We have carefully considered research and studies on all sides of this issue: around salmon decline, benefits provided by the dams, costs of mitigating or replacing those benefits, and much more. We have held months of discussions with all stakeholders—farmers, fishers, local utilities, environmentalists, scientists, and many others—and engaged in rigorous consultation with regional Tribes. We have also clearly heard the demand for strong action and meaningful steps forward on the issues presented by the Lower Snake River Dams debate -- saving our region's iconic salmon species, preparing for our region's clean energy future, addressing the state's economic challenges and opportunities, preserving our status as one of America's agricultural and trade leaders, and respecting our Tribal treaty obligations.

While we have heard disagreement and intensity of feeling, we have also seen clear areas of common agreement. People of every perspective share a desire to see progress on the underlying issues and relief from the uncertainty created by litigation for the communities that rely on the river. We have heard a new willingness to consider changes to the Lower Snake River Dams, in whole or in part, that would have been inconceivable just a few years ago. And we have heard universal recognition that protecting salmon, acting against climate change, strengthening our region's economy, and addressed the centuries of injustice visited upon the region's Tribes should be core components of any path forward. The present moment affords us a vital opportunity to build on these areas of agreement, and we firmly believe that the region cannot afford another fifty years of confrontation, litigation, and acrimony over the Lower Snake River Dams.

THE BENEFITS OF THE LOWER SNAKE RIVER DAMS MUST BE REPLACED OR MITIGATED BEFORE BREACHING

The Joint Federal-State Process makes clear that – with adequate investment and coordination it *is* possible to replace most of the services and benefits provided by the Dams in the event of breach and to mitigate the loss of others. Simultaneously, it has made plain that key infrastructure, energy, and other investments are needed to responsibly breach. Additionally, the independent consultant's report is also clear that some communities on the lower Snake River would experience fundamental changes, and that some industries relying on the Dams would no longer be viable. We take these impacts extremely seriously, and any approach involving breaching of the Lower Snake River Dams must provide opportunity for *all* the communities that would bear these impacts.

For this reason, we are adamant that in any circumstance where the Lower Snake River Dams would be breached, the replacement and mitigation of their benefits must be pursued before decommissioning and breaching. This is especially true in ensuring that reliable, dispatchable, and carbon-free energy is available and operating. Some assert that energy scarcity and environmental calamity are inevitable results of changing our approach to hydropower on the Lower Snake River Dams, and that doing so will derail the Pacific Northwest's decarbonization goals as we confront the climate crisis. We believe that is an oversimplified binary choice, and it is one that we do not accept or see as inevitable.

Replacement of clean energy benefits will require substantial additional work and investment. The four Lower Snake River Dams provide the region with reliable, dispatchable, and carbonfree energy. Notwithstanding, today, there are clean energy generating resources moving their way through regional approval processes that if built, will provide replace the generating capacity of these dams – severalfold, by some estimates. Replacing the characteristics of energy provided by hydropower, however, requires energy technologies that must continue to be developed. There are also numerous categories of replacement strategies – for agriculture and irrigation, outdoor recreation, transportation, and more – that the independent consultant report demonstrated are not yet sufficiently developed from a technical or financial standpoint to implement. And crucially, the ultimate decision to breach the Lower Snake River Dams lies with the Congress, which must authorize and appropriate on this matter.

None of these steps are beyond our capability. Indeed, we have no choice but to pursue them. The clean energy provided by the Lower Snake River Dams constitutes only a small fraction of the new generating and transmission capacity that our region *must* build – just over 3.4% according to the most recent E3 report. As such, replacing that capacity does not meaningfully alter what we must already accomplish. Even so, breach is not a feasible option in the near-term.

ACTION IS NEEDED NOW TO MAKE BREACHING A VIABLE FUTURE OPTION

To resolve this tension, the federal and state governments should move forward with a program to replace the benefits provided by the Lower Snake River Dams, consistent with the Pacific Northwest's clean energy requirements and decarbonization future, so that breaching of the Lower Snake River Dams is a pathway that can be credibly considered by policymakers in the future.

To establish breach of the Lower Snake River Dams as a realistic and actionable option, we must focus on short- and medium-term actions to invest in the region's transportation network and electrical grid. Importantly, we must also aggressively pursue projects and initiatives to restore habitat and support salmon recovery throughout the Columbia River Basin and the Puget Sound. The combination of the Infrastructure Investment and Jobs Act and the Inflation Reduction Act, as well as other federal investments, provides an excellent opportunity to meet our national decarbonization goals, accelerate the deployment of existing and new renewable energy sources, and protect the future of critically important species.

We must resolve the areas of uncertainty identified through this Process. Here, the federal government has an irreplaceable role to play regarding the fate of these federally regulated dams. Federal agencies have the scale of resources necessary for this technical and engineering work in areas such as irrigation and agriculture, transportation, recreation, and more. Political controversy, legal conflict, or inconvenience should not be used as excuses for failing to complete this work. The federal government must act swiftly to provide the information necessary so that the whole region – not merely system operators – may make accurate, complete, and well-understood decisions regarding whether to breach.

We must also act with determination on siting and permitting the energy and infrastructure construction necessary to change at this scale. This is an unavoidable task for us even without consideration of the future of the Lower Snake River Dams given the volume of clean energy generation and transmission needed to meet the requirements of the Clean Energy Transformation Act, the Climate Commitment Act, and other nation-leading laws that we have on the book in Washington state. Replacing the energy production of the Lower Snake River Dams is achievable given our existing commitments, the amount of regional clean energy generation already in development, and the federal resources available. But moving from the realm of the possible into reality requires getting these resources built in an effective, efficient manner. We can do so in a manner that is responsible and environmentally safe, that addresses the concerns of communities, and that respects the Treaty rights and cultural imperatives of Tribal sovereigns. But we *must* do this work, and the State of Washington intends to lead in this regard.

Even as we pursue these matters, we know that the cost associated with the replacement of the Lower Snake Dams is enormous, over any timeframe. The independent consultant's report estimates breaching costs of between \$10 billion and \$31 billion, with many anticipated costs still not available, meaning it will be necessary to refine our understanding of how to optimize thee investments. The report also identifies the critical need for significant federal investment to ensure that the costs of replacing the energy provided by the Dams does not unduly fall upon ratepayers. We support such investments, and reject the suggestion that transitions in our energy system must necessarily result in burdensome costs to families and businesses.

STATUS QUO IS NOT A RESPONSIBLE OPTION; EXTINCTION OF SALMON IS CATEGORICALLY UNACCEPTABLE

We do not take lightly the significance of the work ahead. But it is necessary because the Lower Snake River Dams, Eastern Washington, and our entire region are experiencing enormous transition that is impacting our energy system, our climate, and our economy. And it is the responsibility of policymakers to plan for changing circumstances and to consider the needs of our state 25, 50, and 100 years into the future.

When we look that far ahead, we see Washington state's hydropower system continuing to play a vital role in our energy and economic future. But make no mistake: even given relatively favorable returns in certain years, salmon and other species in Washington state face a dire future. When we look into the future, it is all too conceivable to see a future without salmon, without steelhead. The independent consultant report has made clear the depth of loss that has already been experienced by species and by the communities that have a sacred relationship with them, as well as the industries and communities that rely on them.

There are multiple threats contributing to the decline of salmon runs across Washington state, from worsening water quality to overfishing to predation and loss of spawning habitat. The work of the NOAA Columbia Basin Partnership makes it abundantly clear just how far we are from sustainable species levels in our region. This trend must be reversed. The science is clear that – specific to the Lower Snake River – breach of the dams would provide the greatest benefit to the salmon. Salmon runs in the Lower Snake River are uniquely impacted by the dam structures relative other watersheds, and the waters of the lower Snake River have unique potential for robust aquatic ecosystem and species recovery. It is vitally necessary that we make progress on the comprehensive approach to species recovery in the Columbia Basin that the Biden administration has committed to developing as part of the stay agreement reached on August 4th in *NWF et al. v. NMFS et al.*

Fish science tells only part of the story, however. The construction of the Lower Snake River Dams resulted in harms to Tribal sovereigns and violations of Tribal treaties that were predicted by the federal government even at the time of their construction. Not only did the original construction of the Federal Columbia River Power System inflict real and lasting harm on sovereign Tribes, but these Tribes have not benefitted equally from the establishment of the dams. Tribes continue to grapple with declining salmon runs that have long been foundational to their cultural identity and economic wellbeing.

Extinction of salmon, orca, and other iconic species in the Pacific Northwest is categorically unacceptable to us, and we will not permit Washington state to lose its salmon. We must move forward in a way that restores our salmon populations and acknowledges and redresses the harms to Tribes while responsibly charting the course to an energy and economic future for Washington state and the region. It is for these reasons that we previously stated that breaching of the Lower Snake River Dams should be an option, and why we believe, at the conclusion of this Process, that it must be an option we strive to make viable.

WE COMMIT TO DOING OUR PART AS LEADERS TO MAKE THIS VISION A REALITY

We can no longer afford to be pitted against one another because of an intractable and unproductive choice between species and dams. The consequences of doing so are simply too severe. We can, and must, adapt in ways that strengthen our energy system, forestall the extinction of iconic species, and protect the rights of treaty Tribes while providing economic opportunity for the entire region. A great deal of work remains to resolve the technical and financial questions that remain, and it is time to transition from endless debate and litigation to taking concrete steps now that ensure every option is available to policymakers.

As this Joint Federal-State Process was underway, new developments are providing an unprecedented opportunity to reach solutions that serve *everyone* that relies on the dams, the river, and the salmon: the year-long stay agreed to on August 4th by litigants in *NWF et al. v. NMFS et al.;* the commitment by the Biden administration to negotiate toward a regionwide solution to salmon recovery; and the passage of landmark federal investments in clean energy, climate, and infrastructure. We are determined to seize this opportunity, and *everyone* in Washington state and our region has an obligation to work constructively to do so

We, as elected leaders and policymakers, have a unique and important role to play, but we cannot do it alone. It will require honest conversations about our region's economic, energy, and cultural needs, renewed willingness to consider all possible options for salmon recovery by federal action agencies, and an openness to the perspectives of neighbors with whom we might disagree. Much will depend on what the people of Washington state, and the region, choose from here. But we are committed to doing our part to build the current opportunity to find a constructive path forward on the lower Snake River. We commit to:

- Complete and/or authorize projects that will substantially expand salmon habitat and passage throughout the Columbia River Basin and the Puget Sound. Examples of these efforts include work currently underway at Mud Mountain and Howard Hanson dams, design and engineering work for new fish passage at the Chief Joseph and Grand Coulee dams, and the backlog of smaller-scale restoration, hatchery and remediation work throughout the Basin. Roughly one billion dollars in backlogged projects have been identified in the pipeline for action.
- Work with Tribes, co-managers, and impacted stakeholders to determine a plan to more efficiently and effectively distribute salmon funding. Specifically, this will include an effort to transition implementation of NWPCC's Fish and Wildlife Program from BPA to state and tribal fisheries co-managers.
- Governor Inslee intends to request legislation and utilize other authorities of his office to dramatically improve the siting process necessary to build the clean energy generation and transmission resources needed for this work, as well as other categories of infrastructure. Specifically, the goal will be to accelerate the prospects for siting and permitting of the advanced energy technologies needed to supplement wind, solar, and demand response practices, including but not limited to pumped storage reservoirs, offshore wind, hydrogen-based systems, and more. The State of Washington commits to undertaking this effort in close and meaningful consultation with Tribal governments.

- Leverage the historic investments made in the *Infrastructure Investment and Jobs Act* and the *Inflation Reduction Act* to support energy replacement, infrastructure enhancement, and salmon recovery and habitat restoration.
- Secure additional funds for research into salmon and marine ecosystem health. Bolster research such as the oceanic ecosystem's impacts on the lifecycle of the region's salmon.
- The Lower Snake River Dams Benefit Replacement Report identifies the need for further detailed transportation analysis, focusing primarily on potential highway and road impacts that would result from the elimination of barging on the lower Snake River. Governor Inslee will seek such an analysis from the Washington State Department of Transportation.
- Build upon recent increased investment and continue to push for more funding for the Pacific Coastal Salmon Recovery Fund and the Environmental Protection Agency's Puget Sound Regional Program
- Governor Inslee has pursued statewide salmon recovery efforts, including securing one of the largest investments in salmon recovery in state history during the 2022 legislative session. Governor Inslee's 2023 legislative agenda will include new, robust salmon recovery investments, legislation, and other actions to improve the health of our oceans, coastal areas, and rivers, including the Snake.

We thank everyone who has contributed to this Joint Federal-State Process, especially the thousands of Washingtonians who weighed in with comments and suggestions. We look forward to partnering closely with Democrats and Republicans, with stakeholders from every community, and with Tribes from across the Pacific Northwest, at this critical moment of opportunity.