



## Natural Resources Defense Council Says BPA Hydro Power Emission-Free

### Bonneville Power Administration

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**PORTLAND, Ore. — The Natural Resources Defense Council recognized the Bonneville Power Administration as the utility with the lowest overall financial risk from costs of reducing gas emissions associated with electric power generation.**

The NRDC, in a [report](#) released in September, provided two rankings: the first ranked electricity marketers with 1995 revenues in excess of \$1 billion and the second included 59 smaller suppliers. In both rankings, BPA was rated first, the marketer with the lowest greenhouse gas emissions.

"NRDC's report strongly suggests that, over the long term, power marketers whose products are environmentally safe present less risk for investors and lower costs for customers," said BPA Administrator Randy Hardy. "I believe this could make long-term contracts for BPA's hydropower more attractive."

The NRDC report titled, "[Risky Business, Hidden Environmental Liabilities of Power Plant Ownership](#)," points out that, in a regulated market, the cost of reducing pollution emissions was passed on to customers who did not have access to other suppliers. But in a deregulated market, the report contends, investors must shoulder more of the financial risk because customers are able to choose the least-cost supplier.

NRDC believes that new controls on greenhouse gas emissions are likely.

"The lower risk utilities can and should take far more commercial advantage of their relatively low emissions," said Ralph Cavanagh, NRDC energy Program Director and co-author of the report. "The good news for the higher risk utilities is that much can be done to improve their positions in this and future rankings."

Most of the power marketed by BPA is generated from federal hydro plants located throughout the Columbia Basin. Although BPA does not own these plants, its revenues repay the U.S. Treasury, with interest, for the cost of construction as well as for modifications made to the dams for power or for mitigation for fish and wildlife impacts.

These plants produce no greenhouse gas emissions nor do they deposit any waste or pollutants into the water, but they are believed to have an adverse effect on migrating fish. BPA ratepayers invest hundreds of millions of dollars annually to protect and enhance fish runs under programs developed by the

National Marine Fisheries Service and Northwest Power Planning Council.

Hardy emphasized that BPA acknowledges fish and wildlife impacts and its obligations to offset these impacts. "However, it's important to recognize that hydropower also has a strong environmental upside in terms of clean air and water. Its merits must be weighed against alternative sources of electricity."

Second place in NRDC's rating went to Pacific Gas and Electric, an investor-owned utility based in San Francisco, California.

[NRDC](#) is a non-profit environmental organization with over 300,000 members and contributors nationwide. It has worked with utilities for 20 years to reduce the environmental costs of reliable electric service.

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