

PRESS STATEMENT **Northwest RiverPartners**

August 1, 2019
Vancouver, WA

In Response to the ECONorthwest Study - Lower Snake River Dams: Economic Tradeoffs of Removal

Our mission at Northwest River Partners is to encourage the balanced use of Columbia Basin rivers while collaboratively working towards solutions that help hydropower and salmon coexist and thrive. The nature of our industry entails controversial and highly charged viewpoints and for that reason we encourage scientific, extensively researched, and balanced perspectives.

Through this lens, we find that the recently released ECONorthwest Study funded by Vulcan Inc. is fundamentally flawed in its controversial and biased methodology. While we appreciate and respect their goal to work towards the best economic outcomes for our region, we feel that this report is potentially harmful and misleading to stakeholders on both sides of this critical conversation.

The study purports to offer an economic impact analysis of removing the Lower Snake River Dams but its conclusion is based almost entirely on one question – asked in an unscientific manner – through a survey conducted by an anti-dam advocacy group. From this one question comes the study’s estimation of billions of dollars of supposed value.

There are many gaps and inconsistencies in the report including several questions around the study’s power, transportation, and irrigation assumptions. However, most alarming is the type of valuation used in this study which is referred to in economics as the “Non-Use Valuation” or “Contingent Valuation Method”.

This approach takes a sample of people, asks how much they’d pay for something, and then projects that amount across the entire population within a region or even the nation. It is a highly controversial technique because studies have found that respondents will generally overstate how much they would pay when you ask them about a specific cause.

In the ECONorthwest report, this effect was furthered by the fact that the question claimed full recovery of salmon and improved water quality. However, the full report goes on to say that there is “extreme uncertainty” about the actual impact of removal, and that water quality would be poor for years following removal. This directly contradicts what was presented to survey respondents and shows the inaccuracy of the estimated non-use value.

Noted economists have said this is an unreliable method for determining economic or public policy and, in our view, it completely undermines the validity of the study.

We fully support work that is science-based, such as the current effort being undertaken as part of the National Environmental Policy Act. As part of the NEPA process, the federal government is analyzing the societal, environmental, and economic costs and benefits of breaching the four lower Snake River dams. The Columbia River System Operations Environmental Impact Statement – or CRSO EIS – analysis is currently underway, and the draft report is due in February 2020.

We are keenly aware of the many misconceptions plaguing policy decisions on hydropower and salmon recovery. Regardless of viewpoint, we encourage participants on both sides to strive towards sharing transparent, reliable, and science-based data as we work towards solutions that benefit all stakeholders and the equitable use of our rivers.

**Kurt Miller,
Executive Director
Northwest RiverPartners**

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About Northwest RiverPartners

Northwest RiverPartners is a not-for-profit, member-driven organization. Members include consumer-owned utilities, ports, and businesses from across the northwestern United States. The organization is focused on raising awareness about how the Northwest’s hydropower system betters communities and the natural environment and encourages science-based solutions that help hydropower and salmon coexist and thrive.

<http://nwriverpartners.org>

For press interviews, contact:

Oonagh Morgan Hurst
Morgan Communications
503-887-4345
oonagh@morgancomms.agency