

Office of the Secretary - U.S. Department of the Interior - www.doi.gov - News Release

Date: November 13, 2008

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Agreement in Principle Marks First Critical Step on Presumptive Path to Remove Four Klamath River Dams

AIP sets in motion potential for the largest project of its kind in U.S. history.

LOS ANGELES, Calif. – The federal government, the state of California, the state of Oregon and PacifiCorp today announced an Agreement in Principle (AIP) that takes the first critical step down a presumptive path toward a historic resolution of Klamath River resource issues and the Klamath River dams.

The AIP provides a flexible framework for the presumed transfer of four dams from PacifiCorp to a government designated dam removal entity (DRE), which would then undertake the removal of those dams, and sets a timeline for the signing of a final agreement. Under the AIP final authority for dam removal must be granted by the Secretary of the Interior following an assessment to confirm the current view of the United States and governments of California and Oregon that dam removal is in the public interest.

"This is a historic announcement and the culmination of years of hard work from the numerous negotiators from the federal government and the states of California and Oregon, and PacifiCorp representatives who have worked toward a common goal of how best to protect the uniqueness of this region," said Secretary of the Interior Dirk Kempthorne. "We have agreed to a path forward that will protect fish, PacifiCorp customers and the local cultures and communities in the two-state Klamath River basin."

There is a complex framework for dam removal that balances the timing of removal of each of the four dams with operating conditions and the costs of replacement power for PacifiCorp customers. The AIP provides a target removal date of 2020.

"Today's announcement is the first step in what would be the largest dam removal project ever in history that California, Oregon and our federal and private partners are undertaking to improve water quality, water supply and fish populations in the Klamath region," California Governor Arnold Schwarzenegger said. "The health of the Klamath River is critical to the livelihood of numerous Northern California communities, and with this groundbreaking agreement we have established a framework for restoring an important natural resource for future generations."

The AIP compels the federal government to scientifically assess the costs and benefits of dam removal. The United States will make a final determination by March 31, 2012, whether the benefits of dam removal will justify the costs--informed by scientific and engineering studies conducted in the interim, and in consultation with state, local, and tribal governments and other stakeholders, as appropriate. At that point, the United States shall designate a non-federal dam removal entity (DRE) to remove the dams or decline to remove the dams at which point PacifiCorp will return to the Federal Energy Regulatory Commission for relicensing.

"While many months of work lay ahead, this historic agreement provides a path forward to achieve the largest river and salmon restoration effort ever undertaken in a way that's good for fish, PacifiCorp customers, and local communities and our sovereign tribes," Oregon Governor Ted Kulongoski said. "With Oregon's best interests in mind, it is with great pride that I will be taking the first step in implementing this agreement by offering legislation to support the dam decommissioning and removal process."

Assuming a final agreement is reached next year and pending congressional approval, PacifiCorp will also set aside millions of dollars for immediate environmental improvements. The funds would be used to implement numerous measures that will enhance habitat, improve water quality, increase fish populations, and benefit fisheries management in the basin.

[PacifiCorp's Copco 1 dam on the Klamath River could be removed under an Agreement in Principle announced by Secretary of the Interior Dirk Kempthorne.](#)

PacifiCorp's Copco 1 dam on the Klamath River could be removed under an Agreement in Principle announced by Secretary of the Interior Dirk Kempthorne. [Hi-Res](#)

"This careful effort to balance the complex needs of numerous interests within the community is exactly the type of approach PacifiCorp takes every time we sit down to the settlement table," said Greg Abel, PacifiCorp Chairman & CEO. "This flexible framework ensures that our customers will be protected at every step along the way, while remaining consistent with our strong commitment to respecting the environment. We will continue to work diligently with everyone at the table, including the irrigators, environmentalists, the tribes and all local elected officials with the goal of reaching a final dam removal agreement that is in the economic interests of PacifiCorp customers.

The AIP also establishes protections for PacifiCorp customers from liability associated with any removal of the dams and limits the amount customers would pay toward environmental improvements and dam removal.

As part of the AIP, negotiators have committed to another immediate schedule of talks, working toward a final dam resolution agreement and hoping to conclude by June 2009.

Copies of the AIP and accompanying letters from the Department of the Interior to the states and PacifiCorp can be found at www.DOI.gov.

- [Secretary Kempthorne's Letter to PacifiCorpPDF Format](#)
- [Secretary Kempthorne's Letter to Governor of OregonPDF Format](#)
- [Secretary Kempthorne's Letter to Governor of CaliforniaPDF Format](#)
- [Agreement in Principle on PacificCorp's Klamath River DamsPDF Format](#)

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Last Updated on 11/13/08