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December 17, 2010

Honorable Jacob Lew,
Director
The Office of Management and Budget
725 17th Street,
Northwest Washington, DC 20503

Re: Request for Correction of Information in the Klamath Nonuse Valuation Survey, OMB Control Number 1090-0010

Dear Mr. Lew,

PacifiCorp hereby submits a Request for Correction of the U.S. Department of Interior's (DOI) proposed Klamath Nonuse Valuation Survey, OMB Control Number 1090-0010 (Draft NVS). This Request for Correction is authorized pursuant to the Information Quality Act (IQA),¹ and the informational quality guidelines promulgated by the Office of Management and Budget (OMB)² and DOI.³ The attached *Comments on the Klamath Nonuse Valuation Survey* provides specific reference to the information in the Draft NVS that requires correction.

¹ Treasury and General Government Appropriations Act for Fiscal Year 2001, Sec. 515(a), Pub. L. No. 106-554-Appendix C, 114 Stat. 2763A-152 (2000) (IQA).

² *Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies* (67 Fed. Reg. 8452 (2002) available at <http://www.whitehouse.gov/sites/default/files/omb/fedreg/reproducible2.pdf> (OMB Guidelines).

³ *Information Quality Guidelines Pursuant to Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001*, available at <http://www.doi.gov/ocio/guidelines/515Guides.pdf> (DOI Guidelines).

Notwithstanding the legal basis for this claim, there are strong public policy reasons why OMB should withhold or withdraw any approvals of OMB Control Number 1090-0010. The information contained in the Draft NVS contains numerous factual errors that mischaracterize the costs and benefits of the Klamath Hydroelectric Settlement Agreement (KHSA)⁴ and the Klamath Basin Restoration Agreement (KBRA).⁵ The Draft NVS also misstates the laws of the state of Oregon.

Although two Federal Register notices⁶ have been published requesting public comments on the Draft NVS's impact upon the public, to date, the public has not been provided the opportunity to comment upon the questions and information contained in the draft survey itself, nor has the public been given an opportunity to correct the factual errors contained therein. For these reasons, PacifiCorp respectfully requests that OMB withhold or withdraw its approval of the Draft NVS and direct DOI not to disseminate the Draft NVS to the public at large, without first: 1) publishing an electronic link to the Draft NVS in the Federal Register; and 2) opening the substance of the Draft NVS Survey to public comment through notice published in the Federal Register.

As a signatory to the KHSA, and as the owner of the four dams contemplated for removal under the KHSA⁷ PacifiCorp has a substantial interest in the accuracy of the information presented in the Draft NVS. PacifiCorp is thus an affected party pursuant to OMB Guidelines.⁸ Given that the results of the Nonuse Valuation Survey will inform a key determination by the Secretary of Interior regarding the fate of the four PacifiCorp dams, the content of the Draft NVS constitutes highly influential information, and must be held to the high standard of transparency and reproducibility.⁹ As demonstrated by the enclosed attachment, however, the Draft NVS does not even meet the minimum level of quality required of information disseminated by DOI.¹⁰

⁴ See Klamath Hydroelectric Settlement Agreement, *available at* <http://67.199.95.80/Klamath/Klamath%20Hydroelectric%20Settlement%20Agreement%202-18-10signed.pdf> (Feb. 18, 2010).

⁵ Klamath Basin Restoration Agreement, *available at* <http://67.199.95.80/Klamath/Klamath%20Basin%20Restoration%20Agreement%202-18-10signed.pdf> (Feb. 18, 2010).

⁶ See 74 Fed. Reg. 27,340 (June 9, 2010); 75 Fed. Reg. 54,647 (Sept. 8, 2010).

⁷ See Klamath Hydroelectric Settlement Agreement, *available at* <http://67.199.95.80/Klamath/Klamath%20Hydroelectric%20Settlement%20Agreement%202-18-10signed.pdf> (Feb. 18, 2010).

⁸ OMB Guidelines at II(2).

⁹ *Id.* at V(9).

¹⁰ See DOI Guidelines at 1. "All information disseminated by the Department must comply with basic standards of quality to ensure and maximize its objectivity, utility, and integrity. The Department will ensure that information disseminated will be developed from reliable methods and data sources and will otherwise ensure information quality at each stage of information development . . ." *Id.*

For example, the Draft NVS:

- The Draft NVS errs by implying that, under a “No Action” alternative, no active or on-going management of the river and the fish communities is currently underway. In fact, there are significant efforts now being implemented by local communities and governments, landowners, Tribes, the states of Oregon and California, and the Federal government to support fisheries restoration. The NVS does not make clear that, even under the “No Action Plan”, resource management and restoration actions outside the Agreement have been occurring and would still occur.
- Draft NVS asserts that “Scientists expect that by 2060, there would be 30% fewer wild fish than today”. PacifiCorp is not aware of any analysis that supports this statement and suggests if such analysis data does exist it should be made publicly available for review and comment. To the extent that such analysis is unavailable, incomplete, or indeterminate, the Draft NVS assumptions regarding fish returns in 2060 contained the Action Plans should be modified accordingly. PacifiCorp notes that millions of dollars are being spent each year to improve habitat in the lower Klamath River. This statement implies that, regardless of these actions, wild fish numbers will continue to decline. PacifiCorp does not believe this is an appropriate position for this survey to assume.
- The Draft NVS errs by not including descriptions of several lost uses that would occur with potential dam removal and fish restoration (such as, temporary losses in fishing opportunities, losses in whitewater rafting opportunities, and changes in “lakefront” properties). This signals to respondents that they are not supposed to care about these impacts or that such losses are insignificant. As a result, it is unclear whether the respondent is to assume that these various groups will be compensated for their losses as part of the project costs.
- Draft NVS asserts that “In 2006, commercial salmon harvests off the U.S. Pacific Northwest Coast were cut by 90%”. The Draft NVS then states “The main reason was a lack of fish from the Klamath River, due in part to dams and low water flows”. This statement is an opinion and yet it is portrayed as an undisputed fact, which is misleading to the reader. There are numerous factors that affect anadromous returns in both the freshwater and ocean environments. The ocean fishery is a weak stock fishery; in 2006, ocean fishing was curtailed because of projected low Klamath River runs. The low returns in 2006 were due, in part, to the 2002 fish kill that is mentioned in the prior bullet. The 2002 fish kill occurred in the lower Klamath River and adversely affected the 2006 year-class of returning salmon. Subsequent studies of the 2002 fish kill did not identify PacifiCorp’s hydroelectric dams as a causative factor in that event. In more recent years, ocean fishing was curtailed because of low Sacramento River runs.

Simply stated, it is unfair and inequitable for influential, but inaccurate, information to be disseminated by the Federal government without an opportunity for public comment.

Here, the Draft NVS was not made readily available to the public; it was not reproduced in the Federal Register, and DOI has not provided the public with any information as to where a copy of the Draft NVS might be obtained. In fact, this important information was only discovered by PacifiCorp following a prolonged search of numerous government websites.

Finally the only opportunity to comment on the Nonuse Valuation Survey has been through the narrow confines of the Paperwork Reduction Act (PRA).¹¹ The PRA is primarily concerned with the usefulness of the government's data collection activities, not the quality or accuracy of the information disseminated by the government. In this instance, DOI requested comments on only four limited topical areas.¹² This is a serious error that should be corrected forthwith. The public has not been afforded an opportunity to comment on the substance of the information contained in the Draft NVS. As such, PacifiCorp respectfully requests that the OMB grant this Request for Correction, and that DOI be directed to reopen the Draft NVS to full public comment.

Respectfully,



Steven Richardson
Attorney for PacifiCorp

Enclosure: Comments on the Klamath Nonuse Valuation Survey (OMB Control Number 1090-0010).

cc: Hon. Cass Sunstein, Administrator, Office of Information and Regulatory Affairs
Vany Kaiser, Office of the Secretary, Department of the Interior
Sanjeev Bhagowalia, Chief Information Officer, Department of the Interior
Donald Bieniewicz, Office of Policy Analysis, Department of Interior

¹¹ 44 U.S.C. 3501 *et seq.*

¹² See 75 Fed. Reg. 54,647 (Sept. 8, 2010). DOI requested comments on “1) Whether or not the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; 2) The accuracy of the agency’s estimate of the burden of the collection and the validity of the methodology and assumptions used; 3) Ways to enhance the quality, utility, and clarity of the information to be collected; and 4) Ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other collection techniques or other forms of information technology.” *Id.*

Comments on the Klamath Nonuse Valuation Survey (OMB Control Number 1090-0010)

December 17, 2010

INTRODUCTION

As a result of the Klamath Hydroelectric Settlement Agreement (KHSA) and the Klamath Basin Restoration Agreement (KBRA), both executed February 18, 2010, a broad range of studies are underway on the potential consequences of removing four hydroelectric dams on the Klamath River owned by PacifiCorp and implementing restoration actions and water sharing agreements under the KBRA. Under the KHSA, the Secretary of the Interior is to determine by March 31, 2012, whether the potential removal of these dams will advance restoration of the salmonid fisheries of the Klamath Basin and is in the public interest. This determination will be based on a number of factors, including an economic analysis. One part of the economic analysis is a “Nonuse Valuation Survey” that is designed to help determine the “non-market” value that the U.S. public would place on the potential benefits of fisheries restoration on the Klamath River.

On November 30, 2010, PacifiCorp discovered a draft document titled *Klamath Nonuse Valuation Survey OMB Control Number 1090-0010* (hereafter referred as the “Draft NVS”) on an U.S. Office of Management and Budget website. In the following technical memorandum, PacifiCorp provides comments and suggestions on the Draft NVS.

GENERAL OR OVERARCHING COMMENTS ON THE DRAFT NVS

PacifiCorp appreciates that the Draft NVS is attempting to obtain nonuse valuation information on a complicated and complex issue. PacifiCorp understands that the NVS needs to inform potential respondents of the issues and their choices without being so burdensome that people will fail to respond. However, it is hard to simplify the issue without creating bias. Examples of potential bias include:

1. Making the science supporting the potential benefits of dam removal and fish restoration appear more certain and portraying that the scientific community is in greater accord about the potential benefits of these actions than can be objectively supported. Under the so-called “Action Plans” in the Draft NVS, there are substantial uncertainties over the timeline and effectiveness of the proposed actions and their ability to achieve restoration goals.
2. Implying that, under a “No Action” alternative, no active or on-going management of the river and the fish communities is currently underway. In fact, there are significant efforts now being implemented by local communities and governments, landowners, Tribes, the states of Oregon and California, and the Federal government to support fisheries restoration. The NVS does not make clear that, even under the “No Action Plan”,

resource management and restoration actions outside the Agreement have been occurring and would still occur.

3. Not including descriptions of several lost uses that would occur with potential dam removal and fish restoration (such as, temporary losses in fishing opportunities, losses in whitewater rafting opportunities, and changes in “lakefront” properties). This signals to respondents that they are not supposed to care about these impacts or that such losses are insignificant. As a result, it is unclear whether the respondent is to assume that these various groups will be compensated for their losses as part of the project costs.

The Draft NVS asks potential respondents to make choices and valuations based on completely hypothetical scenarios of wild fish returns to the Klamath River decades into the future. PacifiCorp is aware of no analyses of future wild fish returns to the Klamath River that have been completed to support the NVS scenarios as framed. Modeling and projections of future fish returns are still a work-in-progress. Results of future fish projections from these studies are not available. Interim information from these studies is indeterminate, and points to considerable uncertainty and multiple factors affecting the numbers of fish returning to the Klamath River in future years. PacifiCorp believes the hypothetical “Actions” scenarios posed in the Draft NVS portray to potential respondents a more optimistic and more certain future than can be supported by available information. As such, PacifiCorp is concerned that the survey instrument as currently written sets up the likelihood of biased results that would produce a distorted and ultimately unreliable valuation.

PacifiCorp also notes that it is not clear who will be receiving this survey and whether the dollar amounts reflect the Federal cost share or some combination of Federal, state and power payments. Will different classes of respondents (such as, Klamath Basin residents, out-of-basin residents, power customers) receive a different version?

Given the length and complexity of this survey, and the fact that it will be administered to the general national population, PacifiCorp expects that the survey will have a very low response rate and likely be subject to sample selection bias based upon individual motivations to complete such a survey. For these reasons, the NVS needs to be carefully supported by clear data quality objectives and quality assurance measures, including proposed actions to be taken regarding the survey if the data fail to meet the quality objectives.

SPECIFIC COMMENTS ON THE DRAFT NVS

Page 3 of the Draft NVS provides a “Burden estimate statement” and states that “Public reporting for this form is estimated to average 30 minutes per response”. This estimate seems low for considered responses given the length of the survey and the complexity of the issues involved.

Page 4 of the Draft NVS states “The Klamath River Basin is home to endangered fish species, commercially important salmon, agriculture, and dams that produce hydroelectric power”. The Draft NVS also should include in this list “whitewater rafting and boating opportunities, and river and reservoir recreational fishing”.

Page 6 of the Draft NVS summarizes “Human Uses of the Klamath River Basin Water”. The Draft NVS also should include summaries of mining, wildlife refuges, and timber production among these uses.

Page 7 of the Draft NVS states “They spend most of their lives in the Pacific Ocean, but they return to rivers and streams to spawn” (referring to Chinook salmon and steelhead trout). The word “most” in this sentence should be replaced with “some” since steelhead spend a very short time in the ocean compared to freshwater while Chinook are just the opposite.

Page 7 of the Draft NVS states “At one time, between 600,000 and 1 million of these fish returned to the basin each year”. The Draft NVS should clarify whether these numbers only include wild fish or both wild and hatchery fish. Hatchery plantings in the Klamath River basin started in earnest in the early 1900s and the proposed project is intended to reduce or eliminate the need for large-scale hatchery fish production. Without this clarity, the public may be confused about the number and type of fish that may be expected to return following implementation of the project.

Page 7 of the Draft NVS states “The reasons for declining fish populations include the following”. This sentence should be revised to state “The reasons for declining fish populations are provided below in no particular order in regards to their effect on fish populations”.

Page 7 of the Draft NVS states “Before the dams were built, the fish migrated into streams in both the pink and blue areas shown on the map on the next page”. Regarding the map shown on page 8, it should be made clear that the land uses and habitat conditions in the “Historical range” (shown on the map as the area in blue upstream of Iron Gate dam) are substantially changed from historic conditions. Therefore, at present, the area shown in blue is not necessarily suitable or usable habitat for Chinook salmon and steelhead. Also, to be correct and consistent, areas of the basin upstream of Lewiston Dam and Trinity Dam on the Trinity River should be colored in blue.

The “reasons for declining fish populations” summarized on page 7 of the Draft NVS also should include commercial canneries (in the early part of the previous century) that severely impacted fish populations, and habitat degradation due to timber harvest, mining, and road building. The legacy effects of these previous practices continue to have implications today.

On page 7, under “Overfishing”, the Draft NVS states “In recent years, these activities have been much more carefully managed”. This line should be deleted, since it implies that harvest is no longer a problem and has been fully addressed, which is not the case.

The first sentence on page 9 of the Draft NVS should be revised to state “Some fish in the basin are at risk of becoming extinct because of water and habitat problems”.

On page 9, the “Main Threats” listed under coho salmon includes the statement “Fish raised in hatcheries compete for food and spread disease to wild coho salmon”. This statement requires clarification, since fish from the Iron Gate Hatchery are relatively disease-free. Also, the “Main Threats” listed under coho salmon should include factors mentioned in comments above, including overfishing, timber harvest, road building, and mining.

Page 11 of the Draft NVS states “In 2006, commercial salmon harvests off the U.S. Pacific Northwest Coast were cut by 90%”. The Draft NVS then states “The main reason was a lack of fish from the Klamath River, due in part to dams and low water flows”. This statement is an opinion and yet it is portrayed as an undisputed fact, which is misleading to the reader. There are numerous factors that affect anadromous returns in both the freshwater and ocean environments. The ocean fishery is a weak stock fishery; in 2006, ocean fishing was curtailed because of projected low Klamath River runs. The low returns in 2006 were due, in part, to the 2002 fish kill that is mentioned in the prior bullet. The 2002 fish kill occurred in the lower Klamath River and adversely affected the 2006 year-class of returning salmon. Subsequent studies of the 2002 fish kill did not identify PacifiCorp’s hydroelectric dams as a causative factor in that event. In more recent years, ocean fishing was curtailed because of low Sacramento River runs.

Page 11 of the Draft NVS states “But changing the dams to allow fish to go around them would be more expensive than removing the dams and replacing their electric power”. This statement is an opinion and cannot be supported since the cost of dam removal is not yet known and no economic analysis has been completed comparing the costs of dam removal, necessary mitigation, and the provision of replacement power against an alternative of retaining the dams and installing and operating required upgrades that would be necessary under a new project license.

On page 12, under “Dam Removal”, the Draft NVS should add the sentence “The costs associated with this action are estimated at less than \$450 million”.

On page 12, under “Fish Restoration”, the Draft NVS states “The agreement does NOT define the exact projects or exact amount of money that will be spent on fish restoration”. This statement is incorrect; the Klamath Basin Restoration Agreement (KBRA) contains a complete section on costs. The total cost of KBRA (i.e., \$970,452,000 in 2007 dollars) and components considered in these costs are available to be provided as information for the NVS.

On page 12, the first sentence under “Water Sharing Agreement” should be revised to state “To protect fish, the agreement would permanently set limits on the amount of irrigation water that can be taken from Upper Klamath Lake and how much would be released to the river”.

On page 12, the third sentence under “Water Sharing Agreement” should be revised to state “~~Farm irrigators~~ Parties have agreed to these conditions because they define a specific and permanent schedule for annual water deliveries to farmers and releases to the river.”

On page 12, the fourth sentence under “Water Sharing Agreement” should be revised to state “Each year, the amount of water available for irrigation and the river would depend directly on the amount of rain and snowfall in the basin”.

On page 13, at the end of the second paragraph beginning with “Under this agreement”, the Draft NVS should add the sentence “The total cost of the project is expected to be approximately \$1.4 billion”.

On page 13, the Draft NVS indicates that one of the sources of funding for the Agreement’s activities would be “higher electricity bills for Oregon and California customers of PacifiCorp”. PacifiCorp’s Oregon and California customers would fund dam removal surcharges, which are necessary for the agreements to proceed. However, PacifiCorp’s customers throughout its six-

state service territory (also including Washington, Idaho, Utah, and Wyoming) would share in the cost of replacing the power from the Klamath dams following their potential removal. This is not considered in this section.

On page 14 of the Draft NVS, the first bullet on the page should be revised to state the agreement would “increase the historic range of wild salmon and trout throughout the basin and have the greatest certainty of increasing the number of wild fish migrating to ocean waters”. PacifiCorp recommends not referring to the hatchery in this statement since hatchery production is going to continue eight years after dam removal by PacifiCorp and it is yet unknown whether fish population response following potential dam removal will reduce the need for ongoing hatchery operations.

On page 14 of the Draft NVS, the third bullet on the page should be revised to state the agreement would “improve water quality in the Klamath River, by increasing water oxygen levels and reducing algae blooms that currently occur in the Project reservoirs”. Reference in the original wording of this bullet related to Upper Klamath Lake is not appropriate since dam removal will not improve water quality in Upper Klamath Lake. Reference in the original wording of this bullet related to “low water oxygen levels” also is not appropriate since much of the river has acceptable levels of DO. In fact, most of the severe DO problems occur upstream of the dams slated for removal. Reference to “toxic blue-green algae blooms” is not appropriate unless it is made clear that toxicity relates only to certain forms of blue-green algae, and that toxins are present only during some months of the year (i.e., summer to early fall) and vary appreciably by locations within the reservoirs.

On page 14 of the Draft NVS, three bullets include the wording “costs millions of dollars”. These bullets should begin with more accurate wording like “costs of tens of millions of dollars” or “costs of hundreds of millions of dollars”. This more-accurate wording would alleviate the potential that respondents will assume that these costs are much less than they are expected to be.

On page 14, under “Weighing the Impacts of Implementing the Agreement”, the text should disclose additional information of importance to respondent understanding and context, including: (1) the anticipated timeframe of restoring fish populations; (2) the anticipated effects on the commercial and recreational fisheries, and the timeframe of these effects; and (3) the anticipated effects on whitewater rafting.

On page 17, the Draft NVS summarizes the “No Action Plan” scenario that respondents are asked to evaluate. The overall validity of the design and results of the NVS is fundamentally tied to the validity of the scenario that respondents are asked to value. PacifiCorp questions the validity of this No Action scenario. For example, PacifiCorp assumes that many on-going and future management activities aimed at water quality improvements (e.g., TMDLs) and fish conservation (e.g., Recovery Plans) would still occur under a “No Action” scenario. The “No Action Plan” scenario in the Draft NVS is confusing in that it implies to the respondent that there would be no management or restoration actions whatsoever under this scenario. The “No Action Plan” scenario needs to be clarified to indicate that this scenario assumes no action with regard to the February 2010 Agreement. Therefore, even under the “No Action Plan”, resource management and restoration actions outside the Agreement would still occur.

On page 17, the Draft NVS states “Scientists expect that by 2060, there would be 30% fewer wild fish than today”. PacifiCorp is not aware of any analysis that supports this statement and requests that this analysis be made available. Upon review of such analysis, PacifiCorp reserves the right to supplement our comments on the NVS. To the extent that such analysis is unavailable, incomplete, or indeterminate, the Draft NVS assumptions regarding fish returns in 2060 should be modified accordingly. PacifiCorp notes that millions of dollars are being spent each year to improve habitat in the lower river. This statement implies that, regardless of these actions, wild fish numbers will continue to decline. PacifiCorp does not believe this is an appropriate position for this survey to assume.

On page 17, the Draft NVS states that, under the No Action Plan, “Suckers would stay at VERY HIGH RISK (more than 50% chance of extinction by 2060)” and “Coho salmon would stay at HIGH RISK (25%-50% chance of extinction by 2060). As indicated in comments above, PacifiCorp does not believe it is appropriate for the Draft NVS to make the assumption that resource management and restoration actions outside the Agreement will have such little effectiveness in addressing extinction risks.

On page 18, the Draft NVS states “The number of wild fish returning to the Klamath River each year would increase after the dams are removed in 2020”. This is not consistent with the analysis presented to date by the Biological Subgroup for the Secretarial Determination. The Biological Subgroup concludes that there would be intensive short term sediment and dissolved oxygen impacts to the river that will lead to an initial reduction in wild fish. Also, do the increasing fish numbers shown in the graph on page 18 assume KBRA and TMDL actions are fully implemented and effective? If so, such an assumption is inappropriate since the Biological Subgroup has indicated that KBRA and TMDL actions could take several decades to be implemented and effective.

On page 18, the Draft NVS states “Assume that for your household (and similar households in your area) the plan would cost you an additional \$48 per year for the next 20 years (beginning in 2011)”. The developers of this NVS should consider whether respondents will think more about whether or not this price is “fair” in their minds, rather than figuring out their actual willingness to pay. It might help to use different versions of the survey that make it clear to respondents that they are being presented with the “right” number given their status. For example, the version that is sent to households who reside outside of the region may conclude it “fair” that their dollar figure is lower than the dollar figure that residents of the regions (that include PacifiCorp customers and others more directly affected by the Agreement) would expect to see.

The Draft NVS should offer some explanation of how the \$48 dollars is derived for the survey. Without such explanation, some respondents might do some potentially-inappropriate math and reject the scenario because they do not find it credible. For example, it would be easy for the respondent to assume there are 115 million households in the U.S. that would each pay \$48, and then incorrectly conclude that the cost of the project is \$5.5 billion.

On page 18, under the “Added Cost to Your Household” section, the Draft NVS indicates that one of the sources of funding for the plan would be “higher power bills for Oregon and California PacifiCorp customers”. However, as described above, customers in all of PacifiCorp’s

six-state territory would see higher power bills to fund the provision of replacement power lost from the Klamath dams.

On page 18, the Draft NVS indicates that another source of funding for the “plan” would be “state taxes from Oregon and California residents”. However, regarding use of state taxes from Oregon residents to help fund the “plan”, the laws of Oregon prohibit such a result. Regarding assumed use of state taxes from California residents, that action has not been authorized under California law and no funds have been appropriated for that purpose. By contrast, Oregon has approved a customer surcharge to provide funds for dam removal and the California General Assembly has approved a measure that could result in the issuance of general obligation bonds to cover some dam removal costs, if the voters concur in 2012.

On page 22, the Draft NVS describes Action Plan B. Many of the comments above on Action Plan A also apply to Action Plan B.

On page 22, the Draft NVS should clarify what constitutes the difference between Action Plan A and Action Plan B in terms of the money that would be expended for restoration projects and actions.

On page 27, the lead-in to question Q25 asks the respondent to suppose that “100% more salmon and steelhead trout returned to the Klamath River each year than today”. As indicated in previous comments above, PacifiCorp questions the basis for the assumption of “100% more salmon and steelhead” returning each year under the Action Plans. Also, if this number is supportable, PacifiCorp recommends that the use of “100% more” here be replaced with “twice as many”. The use of “100% more” is subject to misinterpretation by the respondent. For example, the respondent may incorrectly assume that the “100% more” means that current returns are “0%”, or wonder “how can there be more than 100%”?

Other Comments or Suggestions

As noted at the beginning of these comment, PacifiCorp appreciates that the Draft NVS is attempting to obtain nonuse valuation information on a complicated and complex issue. The complexity includes substantial uncertainties over the timeline and effectiveness of restoration actions. Such uncertainties likely will be greater if the Agreement is not implemented (i.e., “No Action” scenario as indicated in the Draft NVS). But substantial uncertainties also exist for actions to be implemented under the Agreement (i.e., “Action Plan” scenarios as indicated in the Draft NVS).

PacifiCorp believes that it is important for the NVS to provide context, and even frame certain survey questions, regarding these uncertainties. These uncertainties include how long it will take for the actions associated with the Agreement (and assumed in the “Action Plan” scenarios) to be implemented and fully effective, and the expected decades-long timelines for achieving enhancement and restoration objectives, including expected water quality improvements. PacifiCorp believes these timeframe and uncertainty issues are critical to achieving non-biased survey results – that inclusion of uncertainty is necessary for a valid survey. By not including and fully explaining these uncertainties, the NVS is likely to produce a distorted and ultimately unreliable value for willingness to pay.