

## KEY POINTS FOR LIBBY DAM COMPENSATION Dispersal—March 19, 2015

Purpose of this legislation is to establish a legal framework for Montana to receive proceeds from storage behind Libby Dam and to pass most of those dollars to Lincoln County, Montana, the only part of the United States who sacrificed under the Columbia River Treaty.

1. Three dams in British Columbia and Libby Dam were constructed as a result the Columbia River Treaty.
2. Under terms of CRT, these four dams hold back flood water to protect downstream communities and residents, and to provide reservoirs which feed flow of water which is used and reused for electrical power generation.
3. Part of the compensation to British Columbia was an equal share (50%) of the additional electrical power or value of that power. That ranges from \$200 to \$300 million per year in compensation.
4. Neither Lincoln County the home of Libby Dam nor the state of Montana have received any compensation for storage of water.
5. The other 50% share of additional power is received by BPA and dispersed across the BPA power grid entire customer base through reduced rates.
6. Consequently, residents of other states receive lower power rates plus free flood protection plus economic benefits of irrigation, barge and ship navigation, and recreation.
7. Lincoln County, Montana, should receive fair and just compensation for storage of this water. The precedent was set with payments to our Canadian neighbors.
8. I, along with other legislators, county commissioners, community groups and various citizens are seeking fair compensation for Lincoln County and Montana.
9. The compensation could come from Bonneville Power Administration, the United States government, B.C. Hydro, British Columbia provincial government, the federal government of Canada, or from another entity benefiting from this storage of water.

10. Since Lincoln County is the only area in the USA that sacrificed to save property, homes, lives and livelihoods of downstream communities, this bill distributes 20% of the compensation to the Montana General Fund and 80% to Lincoln County for schools, roads, general operations and a trust fund for infrastructure projects.
11. This bill provides dispersal of just compensation for a service and product provided. Initial compensation sought is for an ongoing compensation. It is possible that repayment or reparation for damages may be pursued through federal legislation or through court action.
12. Gaining interest in the U.S. Dept. of State, is the fact that water stored behind Libby Dam flows into Idaho, then back into British Columbia where it joins the Columbia River and helps generate electricity before passing into Washington state. Next that water begins passage through Grand Coulee Dam and on to several more Columbia River dams.