

P.O. Box 1350 338 West First Street Port Angeles Washington 98362 360.457.8527 **Board of Commissioners**Connie Beauvais, *President*Steven Burke, *Vice President*Colleen McAleer, *Secretary* **Executive Director**Karen Goschen

April 9, 2018

Honorable Susan Combs
Acting Assistant Secretary of Interior for Fish, Wildlife and Parks
United States Department of Interior
149 C Street
Washington DC 20240

RE: Elwha River Facilities – City of Port Angeles, Washington

Dear Acting Secretary Combs:

We are writing on behalf of the Port of Port Angeles regarding the future of the Elwha Water Facilities (EWF).

The EWF was constructed by the Department through the Bureau of Reclamation and the Parks Service pursuant to the legislation that authorized the removal of the two hydroelectric dams on the Elwha River. The Port Angeles business community supported the dam removal plan based on assurances that: (1) the project would not become a financial burden to our community, and (2) the large quantity of high quality water necessary for the operation of the City of Port Angeles' industrial base would remain available and affordable.

Prior to dam removal, the City of Port Angeles' industrial base water supply was affordable to industrial base customers and available in quantity and quality. During dam removal, the EWF replaced the low-cost, low maintenance industrial water supply system with a complex, expensive facility. It has been reported that the annual cost of operating the EWF is approximately ten times higher than the original water supply system. Furthermore, we understand that the Department of Interior wants to transfer operation of the EWF to the City of Port Angeles without providing reasonable compensation for significantly higher operating costs.

An abundant, affordable water supply attracts businesses to our community and supports key industries. Raising water rates for industrial customers could jeopardize the reopening of Port Angeles' remaining paper mill and would make it very difficult for us to attract new industries that are dependent on abundant and affordable supplies of industrial water. Finally, raising water rates for a city that is experiencing unemployment rates nearly twice as high as the state and national averages could be economically devastating.

We encourage working cooperatively with the City of Port Angeles to uphold the original agreement of affordable industrial water supply to the City of Port Angeles. Doing so will give our community a chance to attract businesses that can provide living wage jobs to our rural community.

Sincerely,

Karen F. Goschen Executive Director Port of Port Angeles

cc:

Honorable Patty Murray Honorable Maria Cantwell Honorable Derek Kilmer Honorable Ryan Zinke