4-2-1986

Western States Water and Power Consumers Conference

Max S. Baucus

Let us know how access to this document benefits you.
Follow this and additional works at: https://scholarworks.umt.edu/baucus_speeches

Recommended Citation
https://scholarworks.umt.edu/baucus_speeches/352

This Speech is brought to you for free and open access by the Archives and Special Collections at ScholarWorks at University of Montana. It has been accepted for inclusion in Max S. Baucus Speeches by an authorized administrator of ScholarWorks at University of Montana. For more information, please contact scholarworks@mso.umt.edu.
Senator * or Department*: **BAUCUS**

Instructions:
Prepare one form for insertion at the beginning of each record series.
Prepare and insert additional forms at points that you want to index.
For example: at the beginning of a new folder, briefing book, topic, project, or date sequence.

Record Type*: **Speeches & Remarks**

MONTH/YEAR of Records*: **April-1986**
(Example: JANUARY-2003)

(1) Subject*: **Energy**
(select subject from controlled vocabulary, if your office has one)

(2) Subject* **Western States Water and Power Consumers Conference**

DOCUMENT DATE*: **04/02/1986**
(Example: 01/12/1966)

* "required information"
ADDRESS
TO THE
WESTERN STATES WATER AND POWER CONSUMERS
CONFERENCE
BY
SENATOR MAX BAUCUS
Boise, Idaho  April 2, 1986

GOOD AFTERNOON AND THANK YOU FOR INVITING ME
HERE TODAY.

IT'S ALWAYS GOOD TO SEE OLD FRIENDS AGAIN.
I'M ESPECIALLY PROUD OF MY FRIEND, JAY DOWNEN'S
LEADERSHIP IN THE WESTERN STATES WATER AND POWER
CONSUMERS CONFERENCE.

YOU KNOW, EVERY MORNING, BEFORE THE SENATE
GETS DOWN TO BUSINESS, THE CHAPLAIN STARTS US OFF
WITH A PRAYER. USUALLY HE ASKS FOR WISDOM TO HELP
US DEAL WITH THE PRESSING ISSUES OF THE DAY.

I DON'T KNOW IF THE SENATE ALWAYS FINDS THAT
WISDOM, BUT I'D LIKE TO BEGIN HERE TODAY WITH
SOME WORDS OF WISDOM FROM THEOLOGIAN REINHOLD
NIEBUHR (pronounced NEE-bower).
He once wrote, in a prayer that I'm sure many of you have heard:

"Oh God, grant us the serenity to accept what cannot be changed, the courage to change what can be changed, and the wisdom to know the difference."

These words to mind be the heart of what I would like to say here today.

A lot of changes are being proposed in Washington, both by the Administration and members of Congress, that would directly affect us in the West.

Some of these proposals would dramatically change the federal government's role in the West.

Dealing with these changes will require wisdom -- wisdom to know what changes we must strongly fight and what changes we will need to accept and adapt to.
TWO MAJOR CHALLENGES

I'D LIKE TO FOCUS TODAY ON TWO MAJOR CHALLENGES FACING THE RURAL WEST:

FIRST, THE WAY ELECTRICAL POWER IS PROVIDED TO THE RURAL WEST IS UNDER ATTACK. PUBLIC POWER PROGRESS IS BEING THREATENED AS NEVER BEFORE!

FOR EXAMPLE, THERE ARE SOME IN WASHINGTON WHO HAVE A SILLY NOTION THAT SELLING BPA AND OTHER NATIONAL ASSETS IS A GOOD IDEA.

I THINK ALL OF US KNOW THAT THERE ARE SOME THINGS THE PRIVATE SECTOR CAN DO MORE EFFICIENTLY THAN THE GOVERNMENT. BUT SELLING OFF -- OR PRIVATIZING -- MAJOR INSTITUTIONS LIKE BPA IS SHORT-SIGHTED AND COUNTER-PRODUCTIVE.

SECOND, THE POLITICAL MOMENTUM IS BUILDING TO DRAMATICALLY SHRINK THE ROLE OF THE FEDERAL GOVERNMENT AT THE STATE AND LOCAL LEVEL. THAT MEANS CUTS IN MANY SERVICES TO MILLIONS OF STRUGGLING COMMUNITIES IN THE WEST.
All of you will play a critical role in meeting these challenges. And that gives me confidence.

Your roots are grounded in a tradition of cooperation to meet dramatic challenges.

You have always put community above all else.

Your commitment to people will help ensure that the West addresses and meets these challenges.

PUBLIC POWER

Now let me say a few words about Public Power.

The Western States Conference has long been an advocate of public preference.

You have worked to achieve the delicate and effective balance between public and private utilities.
Personally, I am committed to maintaining that balance.

But now, there are some who want to destroy that balance by turning over BPA and the Western Area Power Administration to private ownership.

There are several questions that Congress must ask as it considers this proposal:

But, will it lead to better service and lower costs?

Second, will it favor some, but burden others?

And third, will it create further disparity between prime markets and unfavorable markets?

I believe that honestly answering these questions would show, beyond a shadow of a doubt, that selling BPA and WAPA is a bad idea. It's time should never come, and will never come.

The nation's rivers, and the power they produce don't belong to the federal government —
THEY BELONG TO THE PEOPLE. THE GOVERNMENT IS ONLY THE STEWARD OF THESE RESOURCES.

SELLING BPA AND WAPA IN THE NAME OF BUDGET SAVINGS AND DEFICIT REDUCTION IS SHORT-SIGHTED AT BEST. IT IS FALSE AND DISHONEST AT WORST. IT WILL DO NOTHING TO REDUCE THE OPERATING FEDERAL BUDGET DEFICIT.

AND, NEXT WEEK, A NUMBER OF MY COLLEAGUES IN THE SENATE WILL INTRODUCE LEGISLATION TO PROHIBIT EVEN THE STUDY OF SELLING OUR POWER MARKETING AGENCIES FOR A PERIOD OF 10 YEARS.

WE ARE JOINED BY SENATOR DAN EVANS OF WASHINGTON WITH WHOM I LOOK FORWARD TO WORKING.

AND BY IT IS ALSO MY UNDERSTANDING THAT SENATOR McCURR OF IDAHO, CHAIRMAN OF THE ENERGY COMMITTEE, AND SENATOR HATFIELD OF OREGON, CHAIRMAN OF THE APPROPRIATIONS COMMITTEE, WILL COSPONSOR THIS LEGISLATION.
The tide is turning and your work will be decisive. You can be the catalyst for a national coalition calling for enactment of this legislation.

There's another bill, S 426, by Senator Wallop which might come before the Senate very soon. It's a bill I don't support, but one that will be difficult to stop. It requires the Federal Energy Regulatory Commission to reissue expired licenses to the existing owner, without permitting new ownership to occur through competition.

It's called the Electric Consumers Protection Act.

But Vic Reinemer, editor of Public Power, and our dear friend, called it the "IOU's Freedom-From-Competition Bill."

That bill fails to recognize that power is most beneficial to the public when there is competition.
It would move our water resources and hydroelectric facilities further away from public benefit. It would eliminate two ways we provide a level playing field — by "wheeling" power and antitrust protection.

The stakes are simply too high to ever back down from this. Let this bill become law.

Even if we lose this battle, we can do no worse.

Last week, the Senate passed an Army Corps of Engineers Water Resources Bill.

This legislation has now passed both Houses of Congress. It's been over 10 years since a water resources bill was passed.

I fought hard in committee to continue existing hydroelectric policy. The Senate agreed. We must now hold that position in conference.

We must then prepare to fight a mentality — which is anti-rural, and anti-West.
Together we must oppose any steps to further weaken "public preference."

CHANGING ROLE OF THE FEDERAL GOVERNMENT

There's another fight brewing. It's over the responsibility of the government to its citizens.

The administration is proposing to abolish or severely cut back programs that are essential to the communities of the rural West.

I call it "Selling out Rural America."

Listen to just a few of the programs on the list of proposed cuts:

-- Farmers Home Administration rural housing loans,
-- Community Development Block Grants
-- Rural Fire Protection Assistance
-- Rural water and waste disposal grants
-- The Rural Electric Administration,
-- The Rural Telephone Financing Bank,
THE ECONOMIC DEVELOPMENT ADMINISTRATION
THE COOPERATIVE EXTENSION SERVICE
THE LIST GOES ON...

NONE OF THESE CUTS WILL RESULT IN REAL
DEFICIT REDUCTION. THEY ARE SIMPLY AN ABDICATION
OF THE RESPONSIBILITY OF THE FEDERAL GOVERNMENT.

WE AIN'T GOING TO BALANCE THE BUDGET BY
ABOLISHING A $3.5 MILLION PROGRAM THAT HELPS RURAL
COMMUNITIES PURCHASE LIFE SAVING FIRE-FIGHTING
EQUIPMENT.

OR

AND WE AIN'T BEING FAIR AND EVEN-HANDED WHEN
WE PHASE OUT WATER AND WASTE DISPOSAL GRANTS FOR
RURAL AREAS, BUT AGREE TO CONCENTRATE ON WASTE AND
DISPOSAL IN URBAN AREAS AND STILL REQUIRE THE
RURAL COMMUNITY TO MEET EPA STANDARDS.

AND FINALLY, IT'S DOWNRIGHT IRRESPONSIBLE TO
FORCE HIGHER COSTS FOR HEALTH CARE ON RURAL AREAS.

FOR EXAMPLE,
IN MEDICAID, THE ADMINISTRATION SIMPLY WANTS
TO WALK AWAY FROM 20 YEARS OF PARTNERSHIP WITH THE
STATES. THE ADMINISTRATION WANTS TO PUT A CAP ON
THE FEDERAL SHARE OF THE COST OF HEALTH SERVICES.
In Medicare, the prospective payment system is forcing some small rural hospitals to the edge of financial collapse.

When a rural hospital closes, there isn’t another hospital nearby for patients to turn to. The loss of a hospital is a major rural community crisis.

Next month, at my request, the Senate Finance Committee will be holding hearings to find out whether the Medicare payment policy is fair to small rural hospitals.

We need to make sure that quality health care is available for all Americans, in both urban and rural areas.

I mention these cuts not just to alert you to what has been proposed.

But also to urge you to be ready to play a major role in helping those who could be hurt.
Not all of the proposals will be approved, but like it or not, there will be some painful cuts, and we must be ready.

WALLACE STEGNER SHOWED THAT HE INTIMATELY UNDERSTOOD THE WEST WHEN HE SAID:

"Cooperation, not individualism, made the West."  Cooperation is what brings us here today.

"We have here today a champion who is leading the way in helping communities work together to achieve economic growth." — Bob Bergland.

The tradition of Rural Electrics, have always shown they are willing to work with struggling, expanding and new businesses to provide reasonable rates.

The labor community, under more burden than I can ever remember, is looking to the needs of retraining the jobless."
IN THE ROCKY MOUNTAIN WEST, THE AFL-CIO HAS GIVEN THE REST OF THE NATION A MODEL IN TRAINING PROGRAMS THROUGH THE HUMAN RESOURCE DEVELOPMENT INSTITUTE.

LABOR ALSO NEEDS TO TAKE ON NEW ROLES. LABOR EXPERIENCE IS NEEDED TO FIND WAYS FOR FARMERS TO MAKE THEIR YEARS OF EXPERIENCE AS WELDERS, MACHINISTS, AND BUSINESSMEN WORK FOR THEM, WHETHER THEY DECIDE TO STAY IN FARMING OR NOT.

LIKE LABOR, THE FARM ORGANIZATIONS HAVE BEEN PLAYING A KEY ROLE:

- By providing counseling and mediation to troubled farmers;

- By lobbying for an inheritance tax that promotes the passing of family farms to succeeding generations.

- And by setting up beginning farmer programs.
All these efforts capture the spirit of self-help and cooperation that will give farm communities the edge to make it through these tough times.

The West's Economic Future

Let me say a few words about the economic future of our region.

We must also never lose sight of our growing Western interdependence on international trade.

We can no longer depend on America's domestic economy to provide the sole markets for our agricultural, natural or manufactured products.

The marketplace is international. America -- and especially the West -- is a Pacific rim nation.

The federal government must play a role in helping Western states build an infrastructure that is aimed at getting "home-grown" products into foreign markets.
CONCLUSION

I believe that the rural West will meet the challenges facing us and emerge greater and stronger than before.

That's because we in the West are

But to succeed we must be:

- More open,
- More optimistic,
- More flexible in the face of change;
- More less cynical;
- More better understand nature;
- More optimistic in the face of adversity;
- More strong in the face of the unknown;

We

When we leave this conference, I challenge us

To keep this spirit of resolve alive. Take it back to our communities.

Carry it to your elected representatives. Remind them that the institutions established over the years are always subject to change, but the reason and purpose for them does not change.
It won't be easy!

Too many in Washington worship only of the altar of efficiency. The price and effects of that efficiency must also be measured.

Labor, R&D, agriculture groups, all must become even more innovative in expanding the bread box of support. Environmental groups, to a large degree, must be included. Businesses in the communities and their labor associations have much at stake and should be taking a part in this effort.

Remember it's all simply a matter of more jobs, decent incomes, for more Americans.
The foremost role of the Federal Government is and most continue to be to serve the people. I, for one, pledge my continued support to that effort.

Thank you.