



Iron Gate Dam on the Klamath River (Jim McCarthy)

The agreement to remove four dams on the Klamath River in Oregon and California is one step closer to implementation. Yesterday Oregon Governor Ted Kulongoski signed into law [a bill](#) that will provide up to \$180 million from surcharges on electric rates toward the costs of decommissioning and removing the dams. The new law is intended to fulfill Oregon's commitment under an [Agreement in Principle](#) reached last year by Oregon, California, the US, and dam operator PacifiCorp.

There are still a number of non-trivial steps that need to be taken before dam removal moves from concept to reality. The parties still need to negotiate a binding final agreement; they've already had to extend the initial June 30 deadline. Each state's public utility commission must authorize and set the surcharges to be imposed on ratepayers. The US has to formally evaluate the costs and benefits of dam removal and make a formal determination by spring 2012 of whether the dams should be removed or not. The costs have to be less than \$450 million, or a new agreement will be needed. Congress has to pass legislation authorizing dam removal and protecting PacifiCorp from liability. California has to raise \$250 million in bond funding for the project.

Plenty could still go wrong, but assuming everything goes smoothly, the target date for beginning the physical dam removal process is 2020. That's not soon enough to satisfy Oregon Wild, an environmental advocacy group that has [criticized the Agreement in Principle](#) and the process used to reach it as too slow, not transparent enough, and too solicitous of agricultural water demands. In December, [KlamBlog reported](#) on the concerns

of Oregon Wild and other dissenters, but also noted that the dissenters had not articulated an alternative route to dam removal.