

PRESS RELEASE

KARUK TRIBE • YUROK TRIBE

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Contact: *Craig Tucker, Klamath Coordinator, Karuk Tribe, 530-627-3446 x3027
Troy Fletcher, Troy Fletcher, FERC Negotiator, Yurok Tribe, 530-625-4014,
707-498-8486 (cell)*

**CALIFORNIA STUDY SAYS WARREN BUFFET CAN SAVE MILLIONS OF
DOLLARS AND RESTORE KLAMATH SALMON**
*Dam removal would save Buffet's PacifiCorp \$100 million over relicensing antiquated dam
complex*

Sacramento, CA – Today a joint federal and state working group released a detailed economic analysis of the controversial Klamath Dam project. The study concludes that because the Klamath dams are so old and outdated, it is cheaper for dam owner Warren Buffet to simply remove them instead of bringing them up to modern environmental standards.

The dams are owned and operated by Portland based energy company PacifiCorp which was recently purchased by Buffet's Mid American Energy Holdings Company.

The dams constitute a meager 2% of PacifiCorp's generating capacity, but have a devastating impact on Tribal communities dependent on salmon as well as commercial fishing communities up and down the west coast. This year commercial salmon fishing along 700 miles of California and Oregon coastline faced severe salmon fishing restrictions because of low returns of salmon.

The joint California Energy Commission and Department of Interior study compared the cost of relicensing the dams which includes the construction of fish ladders and other technical improvements to address the dams' dramatic water quality impacts to the cost of simply removing the dams and buying the energy from other sources. The study concludes that dam removal would save PacifiCorp over \$100 million.

Removal advocates think buying energy from other sources is reasonable given that surplus energy stores are available. A recent report from the Northwest Power and Conservation Council found that the Northwest currently has a 2,400 megawatt surplus. That's a surplus big enough to power two cities the size of Seattle
(http://www.nwcouncil.org/news/2006_10/3.pdf).

Leaf Hillman, Vice-Chairman of the Karuk Tribe who lives downstream of the dams, says the findings come at an important time. "Our salmon are going extinct because of these dams. This study shows that Warren Buffet can save \$100 million by doing the right thing and putting this river on the road to recovery."

The Karuk and their downstream Yurok neighbors depend on Klamath salmon for ceremonial and subsistence purposes. The dams have disrupted thousands of years of tradition by driving some runs of salmon extinct and others to the brink of extinction. The Tribes can no longer harvest

enough fish to feed themselves much less make a living from the river. Upstream of the dams, the Klamath Tribes of Oregon have been denied salmon since the first of the dams was built in 1918.

Explains Yurok Chairman Howard McConnell, "From our perspective, PacifiCorp's dams are weapons of genocide. Indians depend on salmon for their physical and spiritual health. Salmon are the cornerstone of our cultural identity. As this study shows, we are not asking for a handout from Mr. Buffet, but for a shrewd business decision that would benefit all of us."

The Karuk and Yurok have requested to meet with Mr. Buffet to discuss the issue, but the billionaire investor has not responded to the Tribes' request. Nor has he responded to the thousands of e-mail petitions from sport fishermen around the country. (see American Sportfishing Association action alert at:

http://www.asafishing.org/asa/government/kr_salmon.html).

The dams are currently undergoing a relicensing process mandated by the Federal Energy Regulatory Commission. PacifiCorp has applied for a new license that could last up to 50 years. Thus, Tribes view the relicensing as a once-in-a-lifetime opportunity to restore what was once the third most productive salmon river on the west coast.

Tribes, fishermen, and Sacramento based Friends of the River traveled to Scotland in 2004 and again in 2005 to disrupt the shareholder meetings of PacifiCorp's previous parent corporation, Scottish Power. Friends of the River's Kelly Catlett is a veteran of those Scotland trips. She notes that, "Omaha is a lot closer than Edinburgh." Catlett refers to Omaha, Nebraska, Buffet's headquarters and Edinburgh, Scotland where Scottish Power's shareholder meetings were held.

It's unclear how this report will factor into the company's thinking, but when Tribes staged a demonstration at a Portland hydropower conference last summer, PacifiCorp President William Fuhman responded by saying, "We have heard the Tribes' concerns. We are not opposed to dam removal or other settlement opportunities as long as our customers are not harmed and our property rights are respected."

Hillman concludes, "If Mr. Fuhman is true to his word, he'll urge Mr. Buffet to remove the dams as that is clearly the best option for his customers."

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For more information and previous press releases log on to:

<http://www.karuk.us/press%20&%20campaigns/press.php>

To see California study on safety and feasibility of dam removal:

http://elibrary.FERC.gov/idmws/file_list.asp?accession_num=20060926-5075

FERC dEIS for Klamath Project:

<http://elibrary-backup.ferc.gov/idmws/common/OpenNat.asp?fileID=11141022>.

Other documents including the CA/Federal economic analysis can be found at

<http://www.ferc.gov>. The FERC project number for the Klamath Project number is 2082-027.