Something Doesn't Add Up in Montana

Why didn't the United States recapture Kerr Dam when the FERC license came up for renewal in 1980? Why did the United States allow the transfer of federal power and irrigation infrastructure to the CSKT? How and why were the CSKT allowed to purchase Kerr Dam for six cents on the dollar?

Dam	River	Location	Megawatts	% Capacity	Amount	Storage ACF	Open
Kerr Dam	Flathead	Polson	194	30.6%	\$275,394,322	1,217,000	1938
Black Eagle	Missouri	Great Falls	21	3.3%	\$29,810,726	1,820	1927
Rainbow	Missouri	Great Falls	60	9.5%	\$85,173,502	2,700	1910/2013
Cochrane	Missouri	Great Falls	69	10.9%	\$97,949,527	2,700	1958
Ryan	Missouri	Great Falls	60	9.5%	\$85,173,502	5,000	1915
Morony	Missouri	Great Falls	48	7.6%	\$68,138,801	3,000	1930
Madison	Madison	Ennis Lake	9	1.4%	\$12,776,025	27,200	1906
Hauser	Missouri	Helena	19	3.0%	\$26,971,609	98,000	1911
Holter	Missouri	Helena	48	7.6%	\$68,138,801	243,000	1918
Thompson Falls	Clark Fork	Thompson Falls	94	14.8%	\$133,438,486	8,300	1915
Mystic Lake	West Rosebud	Beartooth Mtns	12	1.9%	\$17,034,700	21,000	1925
Total			634	100.0%	\$900,000,000	1,629,720	

In 2015, the CSKT Purchased Kerr Dam for \$18.3 Million, or less than 7% of its value. Here's how we calculated it:

- 1. In 2014 Northwestern Energy Purchased 11 dams from PP&L Montana for \$900 Million (see Note 1)
- 2. Using the megawatt capacity of each of the dams purchased, Kerr Dam cost NW Energy \$275.4 million (See table above)
- 3. In 2014 it was determined in arbitration that the CSKT could purchase the dam for \$18.3 million. (See Note 2)
- 4. In 2015 the CSKT Purchased Kerr Dam for \$18.3 million. (see Note 3)
- 5. Calculation: \$18,300,000 (CSKT purchase price) / \$275,400,000 (NW Energy Acquisition price) = 6.6%

Considerating the fact that Kerr Dam controls the headwaters to the Columbia River Basin, and the premium placed on NATURAL ENERGY, It is highly likely that these dams were worth far more than the \$900 million NW Energy paid for them

Source of Data

Note 1 Northwestern Energy to Buy Hydro Facilities from PPL Montana

https://web.archive.org/web/20131010005710/https://www.waterpowermagazine.com/news/newsnorthwestern-energy-to-buy-hydro-

facilities-from-ppl-montana/

Note 2 Salish and Kootenai Tribes Will Acquire Kerr Dam via Arbitration

https://ictnews.org/archive/salish-kootenai-tribes-will-acquire-kerr-dam-via-arbitration

Note 3 Montana Tribe Takes Control of Dam Located within Reservation Bounaries https://www.indianz.com/News/2015/09/09/montana-tribe-takes-control-of.asp

Additional Information

The CITT: A Seat at the Table of Destruction https://westernmtwaterrights.wordpress.com/2015/09/07/the-citt-a-seat-at-the-table-of-destruction/