DATE: March 18, 2014

REPLY TO: KEC-4

ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: Cherilyn Randall
Project Manager – TPCV-TPP-4

**Proposed Action:** Warm Springs Hydroelectric Small Generator Integration

**Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):** B1.7 Electronic Equipment

**Location:** Harney County, Oregon

**Proposed by:** Bonneville Power Administration (BPA)

**Description of the Proposed Action:** BPA proposes to integrate a 2.75-megawatt hydroelectric generator at an existing irrigation dam into BPA’s balancing authority (BA) in response to a Warm Springs Hydro, LLC (Warm Springs) small generator interconnection request. The proposed point of intergration is between Harney Electric Cooperative, Inc’s existing Crane Substation and PacifiCorp’s existing Redmond Substation. To integrate the proposed generation, BPA and Warm Springs would enter into an agreement stating that BPA would install, test, calibrate, and energize a single generation dedicated revenue meter and associated telecommunication equipment in the Crane Substation control house. Under this agreement, the meter and associated equipment would be owned and maintained by BPA. No ground disturbance or substation structural modifications would be required for the project.

**Findings:** BPA has determined that the proposed action complies with Section 1021.410 and Appendix B of Subpart D of the Department of Energy’s (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011). The proposed action does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal. The proposal is not connected [40 C.F.R. 1508.25(a)(1)] to other actions with potentially significant impacts, has not been segmented to meet the definition of a categorical exclusion, is not related to other proposed actions with cumulatively significant impacts [40 C.F.R. 1508.25(a)(2)], and is not precluded by 40 C.F.R. 1506.1 or 10 C.F.R. 1021.211. Moreover, the proposed action would not (i) threaten a violation of applicable statutory, regulatory, or permit requirements for environment, safety, and health, (ii) require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities, (iii) disturb hazardous substances, pollutants, contaminants, or Comprehensive Environmental Response, Compensation and Liability Act-excluded petroleum and natural gas products that pre-exist in the environment such that there would be uncontrolled or unpermitted releases, (iv) have the potential to cause significant impacts on environmentally
sensitive resources, or (v) involve genetically engineered organisms, synthetic biology, governmentally designated noxious weeds, or invasive species, unless the proposed activity would be contained or confined in a manner designed and operated to prevent unauthorized release into the environment and conducted in accordance with applicable requirements.

This proposed action meets the requirements for the Categorical Exclusion referenced above. We therefore determine that the proposed action may be categorically excluded from further NEPA review and documentation.

/s/ Katey Grange
Katey Grange
Environmental Project Manager

Concur:

/s/ Katherine S. Pierce        Date: March 18, 2014
Katherine S. Pierce
NEPA Compliance Officer
Environmental Checklist for Categorical Exclusions

Name of Proposed Project:  Warm Springs Hydroelectric Small Generator Integration

Work Order #:  00343812

This project does not have the potential to cause significant impacts on the following environmentally sensitive resources. See 10 CFR 1021, Subpart D, Appendix B for complete descriptions of the resources. This checklist is to be used as a summary – further discussion may be included in the Categorical Exclusion Memorandum.

<table>
<thead>
<tr>
<th>Environmental Resources</th>
<th>No Potential for Significance</th>
<th>No Potential, with Conditions (describe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Historic Properties and Cultural Resources</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2. T &amp; E Species, or their habitat(s)</td>
<td>x</td>
<td></td>
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<tr>
<td>3. Floodplains or wetlands</td>
<td>x</td>
<td></td>
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<tr>
<td>4. Areas of special designation</td>
<td>x</td>
<td></td>
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<tr>
<td>5. Health &amp; safety</td>
<td>x</td>
<td></td>
</tr>
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<td>6. Prime or unique farmlands</td>
<td>x</td>
<td></td>
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<td>7. Special sources of water</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>8. Other (describe)</td>
<td>x</td>
<td></td>
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</tbody>
</table>

Signed: /s/ Katey Grange  
Date: March 18, 2014