

Journal

February 2012

BPA eliminates I-5 project route

After months of careful consideration of a proposed alternative, referred to as the “grey line,” championed by some citizen group, BPA decided not to add the route to the alternatives being considered for the I-5 Corridor Reinforcement Project. BPA announced its decision Jan. 18 and issued a summary of its grey line route evaluation.

“As we evaluated possible locations for a new northeastern route, we found that it would still affect private properties,” said Mark Korsness, project manager. “Although this new route may affect slightly fewer homes in the northern half of the project area compared to existing alternatives, it does not change impacts in the southern half of the project where there are many more homes.”

The route also would create new consequences, such as significant impacts to trust lands managed by the Washington State Department of Natural Resources, private landowners and homeowners not yet aware of the project, the timber industry and the natural environment.

Adding a new route alternative would delay the environmental review by up to two years. This could delay BPA’s selection of a preferred alternative, jeopardize the agency’s ability to meet the electrical needs of the transmission system and add to the frustration being expressed by the thousands of people anxious for BPA to make a decision.

BPA will continue environmental review of the four existing alternatives and variations proposed for the I-5 Corridor Reinforcement Project. The project team plans to issue a draft environmental impact statement and identify a preferred alternative in the spring.

BPA seeks clarification, rehearing on FERC’s Environmental Redispatch order

While seeking a regional settlement as the best option to address electricity oversupply issues, BPA met a Jan. 6 procedural deadline and filed a request for clarification and rehearing of the Federal Energy Regulatory Commission’s order on BPA’s Interim Environmental Redispatch policy.

“While BPA is meeting a regulatory deadline to respond to ongoing litigation, we continue to believe that a solution

developed in the Northwest by regional parties is the best path forward,” said BPA Administrator Steve Wright. “We support the continuation and acceleration of ongoing informal settlement discussions with affected parties.”

Developing a regional solution is especially important before the spring snowmelt season. With or without a settlement, BPA must adopt a new policy. A regional settlement provides a far better foundation for continued integration of renewable resources than continued litigation. Absent a settlement, any new policy seems likely to lead to even more litigation that may stretch for many years.

Environmental Redispatch addressed the challenges BPA can confront when high spring snowmelt leads to above-average hydropower production. When combined with wind power production, a set of circumstances can arise leading to more electricity being produced than there is demand for. Under these circumstances, BPA must make difficult choices that have proven highly contentious.

Habitat purchase to benefit salmon

The Columbia Land Trust, Bonneville Power Administration and U.S. Army Corps of Engineers announced Jan. 24 the largest purchase of riverside habitat in the Columbia River estuary in nearly 40 years, permanently protecting an essential refuge for salmon, steelhead and other wildlife.

The acquisition, which will benefit salmon from Oregon, Idaho and Washington as they migrate to the ocean, is the largest step yet in the estuary to mitigate the impacts of federal dams on the Columbia and Snake river systems.

The Columbia Land Trust completed the purchase of the 920-acre Columbia Stock Ranch on the south shore of the Columbia River near Goble, Ore., with \$5.3 million in BPA funding from electric ratepayers. The purchase sets the stage for the Corps of Engineers to restore hundreds of acres of historic wetlands in the next few years to provide food and shelter for salmon migrating to and from the ocean.

“The size and ecological importance of this habitat set a new benchmark for habitat protection and is a key piece in an extensive fish refuge system in the lower Columbia River,” said Glenn Lamb, executive director of the Columbia Land Trust. “In the last 10 years we have worked with about 60 landowners to conserve 9,100 acres of estuarine and



tributary spawning and rearing habitat. BPA has been an important partner in many of these projects. The estuary is a particularly vital nursery for young salmon, and this project is the best demonstration yet of conserving and restoring the lands that make the estuary so valuable.”

An independent panel of biologists identified the parcel as an especially valuable swath of historic tidal wetlands that, if restored, would boost survival of young salmon as they transition to saltwater. Some two-thirds of estuary wetlands have been lost over the last century, but recognition of their biological significance has encouraged restoration.

NorthWestern and BPA to collaborate on MSTI project

NorthWestern Energy and BPA have agreed to explore collaboration on the Mountain States Transmission Intertie project. The line would allow the transfer of renewable and other energy sources from Montana, Idaho and other regional markets; allow BPA to serve customers in Idaho, western Wyoming and Montana; and provide other operational benefits.

BPA currently serves these customers through agreements with PacifiCorp using the South Idaho Exchange Agreement and PacifiCorp General Transfer Agreement. The South Idaho Exchange Agreement will terminate in 2016.

NorthWestern and BPA signed a memorandum of understanding agreeing to explore the potential of a MSTI project that would accommodate both parties’ needs. The MOU stipulates that by July 31, 2012, the parties seek to complete economic and engineering viability studies and a capacity and cost allocation methodology that considers other partners in the line and treatment for unsubscribed capacity and cost. Additional information about the MSTI project is available at www.msti500kv.com.

BPA crews respond to storm

A powerful storm clobbered the Pacific Northwest the week of Jan. 16 leaving tens of thousands across the region without electricity.

The nasty weather affected about seven BPA high-voltage transmission lines and kept repair crews scrambling. Although BPA’s transmission system experienced some outages, very few BPA customers experienced any disruptions to service.

While field crews effectively dealt with the damage to BPA’s system, they also managed to help at least two other Northwest utilities.

Heavy snow, ice and wind knocked out electricity to more than 250,000 Puget Sound Energy customers in Washington state. To deal with the overwhelming restoration job, PSE called for assistance from regional utilities and contract crews. Five BPA crews had responded to PSE requests.

Six BPA workers also responded to a mutual aid request from West Oregon Electric Cooperative after the storm knocked out power to 3,200 customers in the Vernonia, Ore., area. Using a snow cat, the crews helped repair West Oregon’s distribution system.

Bandon-Rogue line completed under budget

BPA re-energized the 115-kilovolt 46-mile Bandon-Rogue line Jan. 12 after a rebuild that came in under budget. The rebuild’s estimated cost was \$22.8 million, but the projected actual cost is estimated to be approximately \$20.8 million, says project manager Erich Orth. Contract crews from Wilson Construction started material procurement for the project in December 2010. Construction activities started last May and, assisted by relatively mild weather, finished in January.

The project reinforced the line by replacing the old wood poles, adding 19 towers in key spots and upgrading the conductor to meet projected load growth.

The project generated a local economic boost. BPA estimated in its environmental assessment that the project would temporarily employ about 40 workers, produce about \$630,000 in direct local spending and generate another \$216,000 in income through businesses that support the workers.

Public Involvement [Updates & Notices]

AGENCY PROJECTS

Southeast Idaho service – Boardman-to-Hemingway transmission line option [regionwide]

BPA, Idaho Power and PacifiCorp signed two agreements last month demonstrating commitment to continue exploring joint participation in the 300-mile, 500-kilovolt Boardman-to-Hemingway Transmission Line Project. Signed Jan. 12, the agreements devote funding to environmental review and permitting of the project.

Under a joint funding agreement, each utility will pay a portion of permitting costs based on its stated share in the capacity of the

proposed line. BPA will pay up to an estimated \$11.7 million toward these costs for a 24 percent share in line capacity. Payment does not commit BPA to participate in construction of the line. PacifiCorp will contribute 55 percent to the permitting costs and Idaho Power, acting as the project manager, will contribute 21 percent.

A second agreement among the three parties will continue discussions on options for BPA to serve its customers in southeast Idaho. BPA currently serves customers in southeast Idaho, western Wyoming and southern Montana through two agreements with PacifiCorp — the South Idaho Exchange Agreement and a General Transfer Agreement. Both agreements terminate in 2016. For information, go to <http://transmission.bpa.gov/PlanProj/default.cfm>.

Capital Investment Review [regionwide]

In early March through April, BPA will hold discussions with customers, constituents, tribes and other parties interested in capital programs and asset strategies. Asset management strategies are being developed for transmission, federal hydro, facilities, information technology, energy efficiency, and fish and wildlife. Supplemental strategies have been developed for security and fleet (vehicle) management. The discussions in March and April will focus on the draft asset strategies and their implications for capital investments and accompanying maintenance spending. Input from interested parties will help BPA establish the capital spending levels for the 2014 and 2015 fiscal years and inform the depreciation and interested expense levels that will be incorporated in the Integrated Program Review slated to begin in June.

Future programs, costs and rates [regionwide]

BPA Administrator Steve Wright will lead a high level strategic discussion with regional interests Jan. 31, 2012, on future programs, costs and rates. The discussion will serve as a foundation for the upcoming Integrated Program Review process for the FY 2014-15 rate period. The leadership and all interested parties representing customers, public interest groups and tribes are invited to participate. [SEE CALENDAR]

Quarterly Business Review [regionwide]

BPA will hold its Quarterly Business Review Jan. 30. For information, go to www.bpa.gov/corporate/finance/ibr/qbr.

POWER – PROJECTS UNDER REVIEW

Proposed CFAC power sales agreement [regionwide]

The National Environmental Policy Act analysis for the proposed power sales agreement between BPA and the Columbia Falls Aluminum Co. is largely complete. Under the agreement, BPA would sell 140 average megawatts to CFAC, which could allow CFAC to operate two of five potlines at its Columbia Falls, Mont., smelter. BPA is reviewing this proposal in light of its Direct Service Industry Options EIS and is preparing a supplement analysis pursuant to NEPA regulations. The draft agreement is at www.bpa.gov/go/cfacpowersales. The DSIO EIS is at http://efw.bpa.gov/environmental_services/Document_Library/Direct_Service_Industry_Options/.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Lolo Creek permanent weir fish trapping facility [Clearwater County, Idaho]

BPA is considering comments on a proposal to fund the replacement of a 10-year-old seasonal fish weir. The final EA is expected in fall 2012. For information, go to www.bpa.gov/go/lolocreekweir.

Kootenai River Native Fish Aquaculture Program [Boundary County, Idaho]

BPA expects to release a preliminary EA in spring 2012. For information, go to www.bpa.gov/go/kootenaiaquaculture.

Klickitat Hatchery Complex Program [Klickitat and Yakima counties, Wash.]

BPA is incorporating comments into the final EIS, expected in May 2012. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

Kalispel memorandum of agreement [Pend Oreille County, Wash.]

The Kalispel Tribe and the three federal action agencies are proposing to enter a 10-year memorandum of agreement for fish and wildlife mitigation projects. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Kalispel_MOA/.

Yakama Nation Mid-Columbia Coho Restoration Project [Chelan and Okanogan counties, Wash.]

BPA expects to release a final EIS in March 2012. For information, go to www.bpa.gov/go/midcolumbiacoho.

Springfield Sockeye Hatchery Project [Bingham County, Idaho]

BPA released a preliminary EA for public review in December 2011, accepted comments through Jan. 16, 2012, and expects to publish a final EA this spring. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Springfield_Sockeye_Hatchery/.

Northeast Oregon Hatchery Program, Grande Ronde-Imnaha Spring Chinook Hatchery Project [Wallowa County, Ore.]

A second ROD authorizing construction is deferred until the National Marine Fisheries Service reviews and approves the program's Hatchery Genetics Management Plan, which is scheduled for 2012. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Grande_Ronde/.

TRANSMISSION – PROJECTS UNDER REVIEW

Alvey-Fairview line rebuild [Lane, Douglas and Coos counties, Ore.]

BPA accepted comments and held public meetings in December on a proposal to rebuild the Alvey-Fairview No.1 transmission line. BPA expects to publish a preliminary EA in fall 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Alvey-Fairview/.

Network Open Season and Generation Interconnection Reform [regionwide]

BPA accepted customer proposals for withdrawing or modifying Precedent Transmission Service Agreements through Friday, Jan. 20, and is evaluating the proposals received. For information, go to http://transmission.bpa.gov/customer_forums/open_season_2011/. [SEE CALENDAR]

I-5 Corridor Reinforcement Project [Oregon and Washington]

BPA announced last month that we will not add a citizen-proposed route to the I-5 project map for further consideration. A new northeastern route would create significant new impacts to landowners, the environment, project schedule and cost. A draft EIS is scheduled for spring 2012 followed by a formal comment period. For information, go to www.bpa.gov/go/i5.

Celilo direct current terminal upgrade project [Wasco County, Ore.]

BPA is planning a major upgrade of the Pacific Direct Current Intertie. The project will modernize and simplify equipment at the Celilo terminal and include reinforced towers at selected locations on the northern part of the DC line. Construction is projected to start in early 2015. We will post more information as planning progresses.

Midway-Benton No.1 Replacement Project [Benton County, Wash.]

BPA is considering comments on a proposal to rebuild the 115-kV Midway-Benton No. 1 transmission line. A preliminary EA is expected in summer 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/MidwayBentonRebuild/.

Lund Hill Wind Interconnection Project [Klickitat County, Wash.]

BPA is deciding whether to interconnect up to 60 megawatts from the proposed Lund Hill Wind Project. BPA expects to complete a ROD in winter 2012. For information, go to www.bpa.gov/go/lundhillwind.

Grand Coulee Dam line replacement [Okanogan, Grant and Douglas counties, Wash.]

BPA released a final EA and FONSI in December 2011 and expects to begin construction in March 2012 that will continue through the winter of 2012 as weather permits. We will host an informal open-house meeting in the Grand Coulee area closer to the start of construction. For information, go to www.bpa.gov/go/coulee.

Creston-Bell transmission line rebuild [Lincoln and Spokane counties, Wash.]

BPA is proposing to rebuild approximately 54 miles of 115-kilovolt wood pole transmission line. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Creston_Bell/.

Albany-Eugene transmission line rebuild [Lane and Linn counties, Ore.]

BPA is proposing to rebuild approximately 32 miles of a 115-kilovolt wood pole transmission line. BPA will host a public meeting on Feb. 22 and accept comments on the draft EIS through March 5, 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Albany-Eugene_Rebuild/.

Hooper Springs Transmission Project [Caribou County, Idaho]

BPA is proposing a new 115-kilovolt transmission line and a new 138/115-kV substation, called Hooper Springs Substation, in Caribou County, Idaho. BPA expects to publish a draft EIS in summer 2012. For information, go to www.bpa.gov/go/hoopersprings.

Juniper Canyon II Wind Interconnection Project [Klickitat County, Wash.]

BPA is deciding whether to interconnect up to 101 megawatts from the proposed Juniper Canyon II Wind Project. To interconnect the project, BPA would build a new substation, the Wood Creek Substation, along an existing BPA transmission line near Roosevelt, Wash. BPA expects to complete a ROD in winter 2012. For information, go to www.bpa.gov/go/junipercanyonii.

Whistling Ridge Energy Project [Skamania County, Washington]

BPA and Washington Energy Facility Site Evaluation Council released a final EIS in August. BPA plans to issue a ROD in winter 2012. For information, go to www.bpa.gov/go/whistling.

Antelope Mountain Communication Project [Deschutes County, Ore.]

For information, go to www.bpa.gov/corporate/public_affairs/docs/2010/.

Transmission Services Facility Project [Vancouver, Wash.]

For information, go to www.efw.bpa.gov/pdf/Transmission_Services_September_2009.pdf.

FISH AND WILDLIFE – PROJECTS UNDER CONSTRUCTION

Chief Joseph Hatchery Program [Okanogan County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project [Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Big Eddy-Knight Transmission Project [Wasco County, Ore., and Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Big_Eddy-Knight/.

Bandon-Rogue No.1 transmission line rebuild [Coos and Curry counties, Ore.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Bandon-Rogue_Rebuild/.

Walla Walla-Tucannon River transmission line rebuild [Walla Walla and Columbia counties, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Walla_Walla-Tucannon_River_Rebuild/.

Juniper Canyon I Wind Interconnection Project [Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Juniper_Canyon_Wind/.

Albeni Falls-Sand Creek Transmission Line Project [Bonner County, Idaho]

For information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/default.cfm?page=albe.

McNary-John Day Transmission Line Project [Sherman and Umatilla counties, Ore., Klickitat and Benton counties, Wash.]

For information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Leaning Juniper II-Jones Canyon Substation Expansion Wind Interconnection Project [Gilliam County, Ore.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Leaning_Juniper/.

Palisades-Goshen transmission line reconstruction [Bonneville and Bingham counties, Idaho]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Palisades/.

CALENDAR OF EVENTS

To view BPA's public involvement calendar, go to www.bpa.gov/go/calendar. For Americans with Disabilities Act accommodations, please call toll free 800-622-4519.

Transmission rates workshops

- **Feb. 2**, 9 a.m. to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Reservoir System Modeling Technologies Conference

- **Feb. 21-22**, 8:30 a.m. to 5 p.m., DoubleTree Hotel at Lloyd Center, 1000 N.E. Multnomah Ave., Portland, Ore.

Albany-Eugene Transmission Line Rebuild Public Meeting

- **Feb. 22**, 4:30 p.m. to 7 p.m., Harrisburg High School, 400 S. 9th St., Harrisburg, Ore.

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (800) 622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 14428, Portland, OR 97293-4428. E-mail address: comment@BPA.gov. BPA home page: www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see www.efw.bpa.gov/environmental_services/nepadocs.aspx. Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

