

Journal

September 2012

Decker is acting WAPA administrator



The Department of Energy appointed Anita Decker, BPA's chief operating officer, to a four-month detail as acting administrator of the Western Area Power Administration in Denver. She took over the position Aug. 20.

"I'm honored by the chance to work with the WAPA leadership at a key time as they go through

the process of hiring a new administrator. I will gain from the experience and bring a different perspective back to BPA when I return," Decker said. "New perspectives are always healthy, especially at a time of such change in our industry."

Kim Leathley, executive vice president for Internal Business Services, will serve as BPA's acting chief operating officer in Decker's absence. In turn, Larry Buttress, vice president and chief information officer, will temporarily take Leathley's place.

"I'm glad Anita can share her management expertise with WAPA, and I'm just as glad that we have other quality managers who can step up and take advantage of this opportunity to broaden their own experience and skills. We will be a stronger organization as a result of this experience," Administrator Steve Wright said.

WAPA markets and delivers hydroelectric power from federal dams across 15 Southwest and Rocky Mountain states. WAPA also owns and operates about 17,000 miles of high-voltage transmission throughout the West. Tony Montoya, chief operating officer at WAPA, has served as the agency's acting administrator since the departure of WAPA Administrator Tim Meeks earlier this year.

Silverstein selected for NERC committee

The North American Electric Reliability Corporation has appointed Brian Silverstein, BPA's senior vice

president of Transmission Services, to the new Reliability Issues Steering Committee. The advisory committee reports directly to the NERC Board of Trustees. The committee's charter is to provide a framework for steering, developing, formalizing and organizing recommendations to help NERC and the industry focus resources on critical issues and improve the reliability of the bulk power system.

Silverstein, who is retiring from BPA this December, will serve a two-year term on the reliability committee.

BPA crews respond to wildfires

A wildfire near Grand Coulee Dam destroyed a wood pole structure on a BPA 115-kilovolt transmission line Aug. 16, leaving Ferry County PUD customers in Keller, Wash., and the surrounding area without power.

BPA quickly dispatched a helicopter to survey the line and uncover the damage. The Grand Coulee line crew was working on a project between Ellensburg and Wenatchee when they got the call to respond to the fire-damaged structure. The Coulee crew returned to the shop, gathered materials and were on the right-of-way, ready to replace the structure that evening. BPA



An Aug. 16 wildfire near Grand Coulee Dam damaged this wood pole structure on BPA's Keller Tap 115-kV line.



also dispatched the Spokane line crew to provide support, and both crews worked through the night.

Another fire in mid-August, the Taylor Bridge Fire near Cle Elum, Wash., burned through BPA's rights-of-way for two high-voltage transmission lines, but it did not damage equipment or cause the lines to be knocked out of service for extended periods. The structures on these lines are steel and can withstand fire much better than wood-pole structures.

BPA partners in one of nation's largest EE projects

An energy efficiency project at a paper mill in Longview, Wash., is thought to be the largest of its kind in the United States. BPA partnered with the North Pacific Paper Corp. (NORPAC), the largest newsprint and specialty paper mill in North America, and the Cowlitz County Public Utility District to fund the project.

NORPAC is the largest industrial consumer of electricity in Washington, requiring about 200 average megawatts of power. With high manufacturing costs and a declining newsprint market, mitigating the cost of electricity is key to the mill's survival. Through this project, the mill is expected to save 12 average megawatts a year, or enough energy to power 8,000 homes.

BPA, Cowlitz PUD and other public utilities in the Northwest work with industrial companies to identify energy-savings opportunities. BPA is funding about \$21 million of the \$60 million project. Cowlitz PUD will contribute up to \$3.9 million, and NORPAC is funding the remaining \$35 million.

"It's the first commercial installation of this technology in the world," says Ray Harrison, fiber line manager for NORPAC.

The project, known as the Chip Pretreatment Interstage Screen Project, adds two new components to the facility. Phase one, completed last summer, added new equipment that treats wood chips with steam and chemicals before they get refined into pulp. The second feature, interstage screening, will allow paper-ready wood fibers to bypass the second stage of refining. With less pulp in the secondary refiners, NORPAC can cut its power requirements by about 12 percent. Phase two is expected to be completed early next year.

NORPAC employs 415 full-time employees and about 30 contractors, and the construction phase of the project created 64 full-time family-wage jobs.

Brian Skeahan, Cowlitz PUD general manager, says even though this was a custom project, the message

to industry is clear. "Energy efficiency investments are good for business and the community. And there's a world of opportunity out there."

BPA accepts offers for prepayment program

The energy industry is capital intensive, and BPA's success in delivering public benefits hinges on sufficient access to capital to maintain and enhance the power and transmission systems, invest in energy efficiency, and fulfill fish and wildlife obligations.

To aid in its access to capital, BPA will offer an electricity prepayment program to generate funds for federal hydroelectric investments. Utilities that choose to participate will submit one or more offers of what they are willing to pay to receive \$50,000 "blocks" of credits on their power bill each month beginning May 2013 and running through Sept. 20, 2028.

Those bids will establish a market for the blocks of power. BPA will then use a market clearing auction process to set the clearing price for blocks for all accepted offers. All winning participants will purchase blocks of credits at that same market clearing price. BPA may accept all, some or no offers. BPA will not accept offers that are lower than BPA's "reservation price," which will not be announced until after the bids are submitted. The bids are due to BPA between noon Nov. 29 and noon Nov. 30.

BPA began considering the power prepayment program last year as part of the 2011 Strategic Capital discussions. At the conclusion of that meeting, BPA formed a regional team that was composed of representatives from municipal utilities, public utility districts, electric power cooperatives and preference customer associations to help design the program. In June, BPA conducted two webinars for customers. BPA then opened a comment period for stakeholders before deciding to implement the program.

The request for offers can be found at www.bpa.gov/corporate/finance/Power_Prepayment_Program/.

FERC chairman takes note of BPA innovation

BPA briefed Federal Energy Regulatory Commission Chairman Jon Wellinghoff in August on agency innovations that are altering utilities' understanding of how the power grid works. The technology has the potential not only to diagnose what went wrong in such events as the recent Pacific Southwest blackout, but to understand in real time what is causing a problem and then to correct it.

BPA took the developing technology of phasor measurement units that measure the grid's behavior 60 times a second and combined it with GPS technology. The result is synchronized measurements that tell system operators when a generator is not functioning correctly, where that generator is and when exactly the problem began. Further, it can tell how a problem at one generating unit is affecting other units. Because this is happening in real time, operators can stop outages before they begin. BPA is among the industry leaders in bringing the synchronized wide-area view of the power system into control room operations.

BPA is pioneering the use of the technology in several critical areas, such as validating power system models used to set operating limits and make capital investments. By monitoring generators, BPA engineers have identified that many units do not respond to grid disturbances in the ways the engineers expected. Now that they can see how generators actually respond, operators can take corrective action. The data collected from the synchronized phasor measurement units, also called synchrophasors, will greatly contribute to BPA's ability to integrate variable resources into the system and implement smart grid programs.

Vickie VanZandt, BPA's former chief engineer and now a consultant with the Western Electricity Coordinating Council, was also at the briefing. WECC is very involved in advancing synchrophasor installations. BPA does not operate the power grid alone and benefits from sharing data with other utilities in the Western Interconnection.

THIS YEAR MARKS BPA'S 75TH ANNIVERSARY.

On Aug. 20, 1937, President Franklin Delano Roosevelt signed the Bonneville Project Act to deliver the massive benefits of Columbia River hydropower — clean, inexpensive electricity — to citizens of the Pacific Northwest. BPA was built on the idea of providing power for the greater good, and we continue to serve with that spirit today.

TO LEARN MORE about BPA's rich history, visit www.bpa.gov and check our **Facebook** page.



Public Involvement [Updates & Notices]

AGENCY PROJECTS

Capital Prioritization Plan [Regionwide]

BPA will brief interested parties Sept. 24 on its updated plan to prioritize capital investments. See calendar for meeting details.

PROJECTS UNDER REVIEW

POWER

Alcoa power supply contract [Regionwide]

BPA and Alcoa signed a deal in August to extend the parties' existing 320-aMW power supply contract through September. In the meantime, the parties continue to work on the terms of a new power sales agreement for up to 10 years at 300 aMW. The terms of the long-term agreement will be released for public review and comment before the contract is executed. If the terms cannot be agreed on before Sept. 30, another short-term extension is possible.

Port Townsend power purchase contract [Regionwide]

BPA is accepting public comment through Sept. 14 on a proposal to extend Port Townsend Paper Corporation's power purchase contract nine years beyond its current end date. The amendment

would provide power to the Port Townsend, Wash., paper mill at the Industrial Firm Power rate through September 2022, potentially preserving about 300 family wage jobs in a community of 8,300 residents. The documents are posted at www.bpa.gov/goto/PTPC. A final ROD is expected in October 2012.

Rates High Water Mark [Regionwide]

The RHWM process will scale customer Contract High Water Marks that were finalized in spring 2011 to an updated Tier 1 System Firm Critical Output, resulting in customers' RHWM and above-RHWM loads for the fiscal year 2014–2015 rate period. Final numbers will be available Sept. 30 for use in the BP-14 rate case.

Net requirements transparency [Regionwide]

BPA will publish Slice/block customers' final Total Retail Load and Dedicated Resource data no later than Sept. 28, 2012. The information will be posted at www.gotonetrequirements.gov.

FISH AND WILDLIFE

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 draft 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 summer 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 fall 2012. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

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

In July 2012, the Kalispel Tribe and the three federal action agencies signed 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/ or www.salmonrecovery.gov/Partners/FishAccords/KalispelTribe.aspx.

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

BPA has approved funding for the Yakama Nation's Mid-Columbia Coho Restoration Program. A ROD was issued in July. For information, go to www.bpa.gov/go/midcolumbiacoho.

TRANSMISSION

Keeler-Tillamook line rebuild project [Washington and Tillamook counties, Ore.]

BPA is accepting comments and will hold public meetings in September on a proposal to rebuild 58 miles of two transmission lines between Hillsboro and Tillamook, Ore. For information, go to www.bpa.gov/goto/keelertillamookrebuild.

Precedent Transmission Service Agreement reform [Regionwide]

BPA briefed customers at public meetings in June and continues working individually with customer proposals for withdrawing or modifying PTSAs. BPA's goal is to complete negotiations and post proposed agreements for public comment in September. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Network Open Season and Generation Interconnection reform [Regionwide]

BPA will hold a NOS reform workshop September 5 [SEE CALENDAR]. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Celilo Direct Current Terminal Upgrade [Wasco County, Ore.]

BPA expects to host a public meeting this summer to explore the commercial aspects of its proposed project to upgrade the Pacific Direct Current Intertie. This work would modernize and simplify equipment at the Celilo terminal and reinforce towers at selected locations on the northern part of the DC line. Construction is proposed to begin in early 2015 and would last about one year.

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.

Keeler-Tillamook transmission line rebuild public meetings

- **Sept. 5**, City of Forest Grove community auditorium, 1915 Main St., Forest Grove, Ore.
- **Sept. 12**, Oregon Department of Forestry conference room, 5005 Third St., Tillamook, Ore.

Network Open Season reform workshops

- **Sept. 5**, 1 to 4 p.m.,
- **Sept. 20**, 9 a.m. to 4 p.m.

BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

BPA Open Access Transmission Tariff workshops

- **Sept. 6**, 1 to 5 p.m.
- **Sept. 7**, 9 a.m. to 4 p.m.
- **Sept. 27**, 9 a.m. to 4 p.m.

Columbia Grid office, 8338 N.E. Alderwood Rd., Suite 140, Portland, Ore. For information, go to http://transmission.bpa.gov/customer_forums/bpa_oatt/.

Rate proceeding (BP-14) workshop

- **Sept. 12**, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
 - 9 a.m. to noon [TRANSMISSION]
 - 1 to 4 p.m. [POWER]

For information, go to www.bpa.gov/corporate/ratecase/bp14_meeting_ws.cfm.

Capital Prioritization Briefing

- **Sept. 24**, 2 to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

CLOSE OF COMMENT

Submit comments to www.bpa.gov/comment.

- **Sept. 14**, Port Townsend proposed contract amendment
- **Sept. 24**, Keeler-Tillamook transmission line rebuild

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.

