# Columbia River System Operation Environmental Impact Statement (EIS) IPR 2 Webinar Notes

- All of the agencies have their own regulations to meet that are unique but there are efficiencies in working together so continue to work together to maximize efficiency and stay on track for the five-year timeline.
- Staff is being reprioritized to complete the CRSO work off of other projects.

Time and work:

- FY 2018 and 2019 will be the heavy lift years due to assessment and analysis which translates to the higher expenses expected in those years.
- The costs in the later years are due to engaging the public to get comments on the draft EIS and incorporating the comments from that process into the final EIS.
- FY 2017 work includes:
    - Scoping meetings and preparing summary from those meetings.
    - Building the alternatives, informed by scoping and evaluating agencies.
    - Starting evaluation of the no action alternative, which is the status quo of operations right now.
    - Evaluating the existing condition of each resource from the hydrology to the status of fisheries using the best data available.
- FY 2018 work includes:
    - Completing the no action alternative and exiting condition evaluation.
    - Studying the alternatives under the alternative impact assessment.
    - Corps and Reclamation will have to conduct Independent External Peer Review (a step BPA does not need to complete).
- FY 2019 work includes:
    - Finishing work on the alternative impact assessment. There will be meetings to explain the final assessment.
    - Preparing the draft EIS in FY 19 but may not be released until FY 2020
- FY 20
    - Releasing the draft EIS by March 2020 but hopefully sooner in the fall of 2019.
        - When will you know and let stakeholders know if that fall 2019 goal is met?
            - Media outlets and update crso.info
    - Agencies are required to respond to all draft EIS comments compared to scoping.
- FY 21
    - Do you have a goal to publish the final EIS before the March 2021 deadline?
        - Most likely March. Moving the draft EIS timing up to give more time in between draft and final.

Corps:

- There may be additional costs in FY 2020 if it is determined that further analysis is needed after the draft EIS is completed. The need for further analysis would come from the court.
- Draft EIS includes contract costs to compile product but the majority is in-house labor.
- The draft and final EIS costs include responding to all comments we anticipate but if more than expected can increase cost.
- USGS and NOAA will assist in evaluations. There is a very small amount expected to be contractors.
- Corps expenses are higher because they have a greater amount of impacted areas to study including flood control and navigation.
- Since Corps is reallocating, why is cost incremental?
    - The majority of the SMEs are being reallocated from other projects the Corps runs but do not charge to the power program currently. These are also not staff from O&M.

This information was made publicly available on April 24, 2017, and contains information not sourced directly from BPA financial statements.

BPA:

- There may be savings opportunities in FY 2020 and 2021. BPA will always look for savings as it completes work but there is more speculation in the expected costs further out so uncertainty may help find reductions.
- The costs represent in-house labor across the agency including power and even transmission. Transmission may be needed to do power flow studies to ensure changes can be implemented on the grid.
- There may be additional contracting costs (at both BPA and Reclamation) but that is still to be determined.

Reclamation:

- Similar explanation to Corps and BPA.

Questions:

- Are these cost estimates are conservative? How firm or accurate are they?
    - The cost estimates have been flushed out for all of the phases with the work that is known to be completed at this time while also accounting for some contingencies. While some of the dollars may move between tasks, the confidence in the total estimate is high.
- The total cost for the alternative impact assessment is about $29 million.
- When will BPA cover the costs directly or indirectly assigned to it?
    - Of the $60 million, $22 million will be capitalized as part of the CRFM which is collected over 75 years. All other costs will be recovered within the year they are incurred.
- Independent External Review – how much of the total costs will this be?
    - The agencies have not determined how much it will cost and to what level of review it will cover. However, leadership for the effort know this is critical to determine and are working on the details.
- How are the FY 17 expenses being paid for?
    - The agencies are trying to absorb and/or may be forced to reprioritize work to cover costs. We are not increasing budgets in FY17.
- How much field research or development new tools needs to be done compared to literature surveys?
    - The vast majority of modelling and analytical effort uses existing models. The only area that needs to develop a new model is for water quality which is not a large portion of the costs.
    - For example, a large part of the modelling will be for hydrologics which will use models that were developed during the Columbia River Treaty Review process.
- In the ruling, the judge said that waiting 20 years was too long. How are the agencies incorporating a future CRSO EIS into long-term planning?
    - At this time, there is no estimation of when a third EIS would be conducted in the future.
    - The agencies hope the EIS lasts a minimum of 10 years. The shelf life is highly dependent on the areas studies and species that are listed.
    - The goal of the three agencies is to make sure this is robust enough to ensure that we don't have to review this material too soon.
- Are there any other studies of similar magnitude to compare the CRSO to?
    - No. There are some on-going efforts in Missouri basin but only a few years ahead.
- In looking back at the February 15th IPR2 presentation on hydro expenses, the estimated costs for the Corps' costs for the CRSO for FY 2018 was $3.598M (see slide 9). However, in the presentation yesterday, BPA's share of the Corps' expense for FY 2018 was listed at $6.12M. I thought I had heard yesterday that there were no changes in the budgets compared to the February IPR2 presentations, that yesterday's meeting was just to provide more detail. But it looks like the Corps' expenses (BPA's share at least) increased since the Feb 15th meeting. Could you please help me understand?
    - In February, when the CRSO costs were presented, the agencies were in the early stages of determining scope, schedule and budget. Since February, this process has matured and the level of effort in FY18 and FY19 was determined to be greater than previously anticipated funding previously scheduled in FY20 and FY21 was shifted

forward. However, the overall Corps and Reclamation budgets presented in February are not changing, the dollars shifted into FY18 and FY19 will be absorbed within proposed IPR 2 budgets. So although CRSO is costing more in FY18 and FY19 than anticipated, BPA will not be adding these additional funds to its revenue requirement.

- Also, can you clarify whether all of the costs associated with BPA ($4.7M and $5M for BP-18, slide 5 of yesterday's presentation) are not incremental to what was included in the original budget? I thought I heard someone say yesterday that the Labor costs were not incremental, but the Contract & Modeling costs would hit rates. However, this seems to contradict what I thought I heard at the Feb 15th meeting which was that BPA was going to absorb all costs associated with the CRSO.
    - The BPA costs are not incremental. BPA will be absorbing those costs in existing budgets. The only costs that will hit rates are the CRSO costs for COE and BOR presented in the Feb 15th IPR 2 workshop.