



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

PUBLIC AFFAIRS

December 4, 2009

In reply refer to: DK-7

Dan Seligman
Attorney at Law
Columbia Research Corporation
P.O. Box 99249
Seattle, WA 98139

FOIA # BPA-2010-00426-F

Re: Copies of all "DOE Weekly Reports" prepared by BPA for the years 2001, 2008 and 2009 (to date).

Dear Mr. Seligman:

This is the final response to your request for information that you made to the Bonneville Power Administration (BPA) under the Freedom of Information Act (FOIA), 5 U.S.C. 552.

Response:

BPA has provided the responsive documents in their entirety. There is no charge for your request.

I appreciate the opportunity to assist you with this matter. If you have any questions about this letter, please contact Laura M. Atterbury, FOIA/Privacy Act Specialist, at 503-230-7305.

Sincerely,

A handwritten signature in cursive script that reads "Christina J. Brannon".

Christina J. Brannon
Freedom of Information Act/Privacy Act Officer

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

January 5, 2001

I. Schedule

January 11: Acting Administrator Steve Wright will speak before the Washington State Senate Energy Committee in Olympia, Washington, regarding regional power system issues.

January 18: The Acting Administrator will be the luncheon speaker at a Law Seminars International Seminar, "Buying and Selling Electricity in the West," in Seattle, Washington.

II. Key Departmental News

Bonneville Power Administration (Bonneville) Seeks Agreement from Additional Aluminum Companies to Share Benefits from Resale of Federal Power: Bonneville is pursuing agreements with Kaiser Corporation (Kaiser) and Columbia Falls Aluminum Company (CFAC) for the companies to share the profits from resale of federal power. Kaiser shut down two plants last month in order to resell Bonneville power into the open market, where prices are at historic highs. (Kaiser's contract with Bonneville allows it to resell federal power in the event of shutdowns or partial shutdowns. That contract expires September 30, 2001, and the new one will not allow such resales.) This week, Bonneville shared specifics of its recent agreement with Goldendale Aluminum and Northwest Aluminum under which the companies will share the profits from resale of federal power among the plants, workers, and Bonneville. Bonneville's goal is for Kaiser and CFAC to agree to similar contract amendments.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Emergency Response Team (ERT) Says Regional Power Picture Safe but Tenuous for January. The Pacific Northwest appears to be just barely in load-resource balance for January, the ERT determined after reviewing forecasts Thursday morning. Given that, the ERT did not issue a warning of an energy emergency for the month. However, the ERT noted that the balance takes into account some extraordinary measures utilities are now doing, such as buying back power and reducing demand. The system has no flexibility to respond to cold snaps, transmission loss, or a major generating plant outage. February and March may get worse, because preliminary forecasts for volume of water in the hydro system for the next 6 months are about 75 percent of normal.

The team continues to monitor the region's energy situation carefully

because of low-water conditions and lack of traditional imports from California and Canada, which previously provided a safety net to the region. The ERT also agreed to expand its role somewhat from addressing only immediate emergencies (such as cold snaps) to taking longer term seasonal assessments of the region's energy situation.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

New Idaho Member of Northwest Power Planning Council (Council)

Appointed: Idaho Governor Dirk Kempthorne has appointed Jim Kempton to fill a vacancy on the Council created by Todd Maddox's retirement next month.

Kempton is a Republican State Legislator from Albion, Idaho.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

IV. Press Inquiries

Washington and Oregon Governors Hold Press Conference on Energy Situation. Washington Governor Gary Locke and Oregon Governor John Kitzhaber held a joint press conference at the Bonneville Dam Friday morning to call for widespread conservation in their States in order to avert an energy emergency. Bonneville has supported this action.

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

January 12, 2001

I. Schedule

January 18: Acting Administrator Steve Wright will be the luncheon speaker at a Law Seminars International seminar, "Buying and Selling Electricity in the West," in Seattle, Washington.

II. Key Departmental News

Bonneville Power Administration (Bonneville) Closely Monitoring Financial Situation: Preliminary estimates indicate Bonneville's financial reserves could be significantly reduced by yearend if streamflows turn out to be 75 percent of average as predicted by the Northwest River Forecast Center. A cold snap or an unplanned generation or transmission outage could easily reduce reserves even more. On the other hand, a slight improvement in streamflows would improve the situation. In an emergency, Bonneville could receive relief from the required operations for fish and be allowed to draft more water from Grand Coulee Dam. Bonneville will continue to evaluate streamflows and cash reserves.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Extraordinary Action Needed to Meet Energy Shortage: Bonneville's power supply remains deficit relative to its firm load for January and possibly February unless regional load is reduced, significant energy from outside the region becomes available, and/or the river system is operated outside Biological Opinion requirements. Bonneville likely will have to take extraordinary actions to avoid reliability or financial problems. If necessary, Bonneville will call a power emergency under the Biological Opinion and draft reservoirs to meet demand, which would significantly increase the risk of not meeting Endangered Species Act-related objectives for fish flows this spring.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

More Actions Taken to Address Energy Shortage: Bonneville is producing four new conservation awareness ads and providing them to utility customers. Utilities will place the ads in local papers. Radio spots are also in production. The Department is helping with cost and is credited as the source of the further conservation tips brochure found on the Internet. In addition, Bonneville has been working with the Direct Service Industries (DSI) over the past couple of weeks to bring several hundred megawatts of DSI load offline through remarketing and curtailment approaches.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Customers Propose Settlement to Rates Modification: Bonneville customers continue to work on a settlement proposal as an alternative to Bonneville's initial proposal and the ongoing modified rate case proceeding. The customer group planned to present a proposal that the public and investor-owned utilities (IOU), public interest groups, and tribal representatives apparently supported. DSIs were not included.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Governors Plan Meeting to Come up With Solutions: The Western Governors Association, headed by Governor Dirk Kempthorne of Idaho, has scheduled an "Energy Policy Roundtable" in Portland on February 2. The governors plan to address issues of regional energy shortages, energy prices, and load management. Their agenda does not include looking at increased regional governance of the Columbia River, an issue that state legislators, through the River Governance Committee, have previously discussed.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Customers File Lawsuit on IOU Agreements: Several DSIs, public utility customer groups, and IOUs have filed or intend to file petitions with the U.S. Ninth Circuit Court of Appeals challenging Bonneville's Residential Exchange Program settlement and the Residential Purchase and Sale Agreements. Both were the subject of Bonneville Records of Decision issued in October 2000 as vehicles to provide federal power and benefits to the residential and small farm customers of the region's IOUs in 2002-2011. The Northwest Power Act mandates this assistance. The petitions do not specify the precise nature of the challenges, but allege generally that the agreements may violate specific statutes under which Bonneville operates, including the Northwest Power Act.

Media Interest: No.

Program Contact: Jeff Stier, (202) 586-5640.

Federal Energy Regulatory Commission (FERC) Reviews Change to 1996

Power Rates: Bonneville filed a proposal at FERC January 5 to adjust the Unauthorized Increase (UAI) charges in the 1996 power rates. The UAI is intended to be a penalty charge for a customer that uses more firm Federal power than authorized by its contract with Bonneville. The current UAI charge is no longer a deterrent because the current market power prices have exceeded the charge sometimes by 10 times the amount. Bonneville proposes to index the UAI charge to market prices, similar to the UAI charge in Bonneville's proposed 2002-2006 power rates. Bonneville has requested expedited approval at FERC, so that the revisions will be effective February 1, 2001.

Media Interest: No.

Program Contact: Jeff Stier, (202) 586-5640.

State Legislators Adopt Resolution on Federal Columbia River Power System. At a January 5-6 meeting in Boise, the Legislative Council on River Governance adopted a joint resolution to “. . . design and develop recommendations for how best to preserve the benefits of the Federal Columbia River System [for the region] following the rate period that ends in 2006.” Among other things, the resolution states that “This discussion must begin with a strong affirmation that ‘public preference’ should be preserved and maintained.” The group will meet again February 2 in Portland.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

- III. Work on Secretarial Initiatives**
- IV. Press Inquiries**
- V. FOIA Requests**
- VI. Grants, Economic Announcements and Publications**
- VII. Climate Change**
- VIII. Disaster Assistance**

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

January 19, 2001

I. Schedule

February 1-2: Acting Administrator Steve Wright will attend the Western Governors Summit on the west coast energy situation in Portland, Oregon. The meeting is a follow-up to the governors' summit in Denver last month.

February 5: Acting Administrator will meet with Washington Governor Gary Locke.

February 6-8: Acting Administrator will visit Washington, D.C., to meet with Northwest Members of Congress about current energy issues.

II. Key Departmental News

Bonneville Power Administration (Bonneville) Purchases Power This Week to Meet Loads: With temperatures running several degrees below normal and weather continuing dry this week in the Northwest, Bonneville was purchasing several hundred megawatts on the daily spot market to meet its Northwest load obligations. Sales and power exchanges with California continued as allowed.

Media Interest: No

Program Contact: Jeff Stier 202-586-5640

Transmission Interconnection with California to be Modernized: Bonneville will soon make a decision about equipment at the Celilo convertor station at the north end of the DC Intertie to California. The project is projected to cost approximately \$25 million. At the same time, Bonneville's partners on the southern end of the Intertie will update equipment at their convertor station outside of Los Angeles. The modernizations will maintain the line's existing capacity of 3,100 megawatts for another 30 years and significantly improve the reliability of the line. Without these investments, the line would be derated to 1,100 megawatts by 2003. The DC Intertie is one of two critical interties that connect the Pacific Northwest and Pacific Southwest. Maintaining its capacity will maintain the ability of the two regions to help each other during power supply problems such as those now being experienced on the west coast. If approved, the project is expected to be completed by 2003.

Media Interest: Some

Program Contact: Jeff Stier 202-586-5640

Bonneville Updates Environmental Groups During Energy Shortage: Bonneville this week began sending weekly electronic updates of Federal Columbia River Power System conditions to public interest group leaders in the region. The environmental community has a keen interest in the current power market and supply conditions' affect on Bonneville's projected ability to meet spring flow targets for juvenile salmon

migration, and Bonneville has made a concerted effort to provide context to these groups.

Media Interest: No

Program Contact: Jeff Stier 202-586-5640

III. Work on Secretarial Initiatives

Bonneville to Support Development of World's Largest Wind Farm: PacifiCorp and FPL Energy announced last week they jointly will develop and market wind power from a wind farm on the Washington-Oregon border that the companies say would be the largest single wind energy development in the world. The new plant will be called the Stateline Wind Generating Project. Bonneville agreed to provide transmission and other services for the 300-megawatt project to be located near Walla Walla, Washington. Bonneville is also in discussions with the companies to purchase up to 40 percent of the output from the project. Pending siting approvals from Oregon authorities, the 450 turbines could be up and operating by as early as the end of this year.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Bonneville Pursues Study of Wind Energy's Effects on Power System: With plans to add as much as 1,000 megawatts of wind energy to its system by fiscal year 2004, Bonneville has approached the Utility Wind Interest Group (UWIG) about being included in a study it is initiating. The UWIG has contracted with Electrotek to project the potential impacts of significant wind generation facilities on bulk power system operations. Bonneville would like to be included in the study, an analysis that would take about a year to complete.

Media Interest: No

Program Contact: Jeff Stier 202-586-5640

IV. Press Inquiries

Bonneville's Efforts in Renewables Development Praised: A commentary by Peter West, Assistant Director for the Renewable Northwest Project, in the January 9, Portland *Oregonian*, praised Bonneville for its support of renewable resource development. The opinion piece described the region's withdrawal from renewables and conservation over the past several years, but said that Bonneville's programs were "bright spots. . .to build upon" and that PacifiCorp and Bonneville are "poised to take their experiences further." This was an apparent reference to the 300-megawatt Stateline Wind Project, the subject of an editorial in the same issue. The editorial called Stateline "a watershed event." Noting that the high cost of power has made wind power more desirable, it said "wind power has emerged from the realm of exotic fantasies to become a factor in the power resources that the Northwest sorely needs."

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Congressional Members in Northwest to Discuss Energy Issues: Oregon Senator Ron Wyden held two town meetings this week, in Portland and Eugene, to discuss the west coast energy situation. The events received significant press coverage. Bonneville executives attended both meetings. Representative Peter DeFazio will be in the Northwest next week to meet with Bonneville and other utility personnel on transmission and power issues.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

January 26, 2001

I. Schedule

February 1-2: Acting Administrator Steve Wright will attend the Western Governors summit on the west coast energy situation in Portland, Oregon. The meeting is a follow-up to the governors' summit in Denver last month.

February 5: The Administrator will meet with Washington Governor Gary Locke.

February 6-8: The Administrator will be in Washington, D.C., to meet with Northwest Members of Congress regarding current energy issues.

II. Key Departmental News

Background For Proposal to Increase Rates Released: The Bonneville Power Administration released background information this week to its customers and constituents to provide context for a proposal to increase rates. Given current market conditions and Bonneville's need to purchase large quantities of power in the market, Bonneville explained it could be heading toward an average wholesale power rate increase across the 2002-2006 period of about 60 percent. Bonneville's customers are aware of the challenges as they themselves recently came in with a proposed 30 percent increase that was nearly double what Bonneville predicted last December. Bonneville emphasized that it is important to remember that even with a rate increase of that magnitude (if it is ultimately decided upon) Bonneville's rates should still be well below market. In August 2000, Bonneville announced that it would re-open its proposed 2002-2006 power rates, submitted to the Federal Energy Regulatory Commission in July, in order to protect its ability to make its annual payment to the U.S. Treasury in an increasingly volatile and expensive power market.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Northwest Operating Hydro Projects to Meet Power Needs: Bonneville began drafting the upriver reservoirs at Coulee and Dworshak for the first time this winter to meet Northwest loads. Last week, after purchasing 1,000 to 1,500 megawatts per day at a total cost of \$50 million, Bonneville determined it could not sustain the level of demand on its financial resources. On January 17, Bonneville declared a power emergency under the Biological Opinion and began drafting storage reservoirs below levels expected to be needed for spring refill. If the actions taken to provide power now subsequently affect spring refill, the

Federal agencies will consider measures that will help mitigate the potential effects on endangered salmon.

Bonneville hopes to end this power emergency as soon as operationally possible. However, continuing low streamflows coupled with fluctuating high demand for energy could force the agency in and out of power emergency situations as the winter season progresses. Bonneville is developing criteria for determining when extremely high-market prices imperil Bonneville's financial stability, creating the conditions for declaring a financial power emergency.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Governors Meet to Address Energy Crisis: West coast governors meet next week (February 2) in Portland to consider near and long-term joint solutions to the west coast energy crisis. The meeting is part of a list of actions the governors agreed upon at a hastily-called summit in Denver in December where the Secretary was in attendance. Since then, the governors of Oregon and Washington have made several public pleas for conservation and instituted a series of conservation measures in state buildings and facilities. The Bonneville Administrator will propose a package of infrastructure improvements and long-term measures on the federal hydro system that Bonneville and its partners could undertake.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Conservation Program Geared Up to Meet Power Needs: In one response to the west coast energy crisis, Bonneville is working with regional utilities and the Northwest Energy Alliance to promote energy conservation. For example, coupons for reduced prices on energy-saving compact fluorescent bulbs will be distributed. Retailers will accept the coupons at point of purchase. Manufacturers, distributors, and retailers are gearing up to have products available. April 1 is the expected start date, and the program will run a minimum of two years. Bonneville expects to announce the program within the next couple of weeks.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Direct-Service Industrial Customer to Curtail Production: Bonneville and Columbia Falls Aluminum Company (CFAC) announced that CFAC would curtail operation of its potlines and reduce plant operations to a minimum level for the remainder of the calendar year. The curtailment will free up, on average, about 200 megawatts of power. Bonneville will remarket for CFAC through the end of September, resulting in a \$60 million benefit to Bonneville ratepayers. Additionally, ratepayers will realize savings because Bonneville does not have to

purchase approximately 165 average megawatts of energy to serve CFAC in the October-December 2001 time period.

CFAC will use the remaining proceeds to fully compensate employees, pay costs related to the curtailment; help secure a future power supply through investments in conventional and renewable generation and energy conservation improvements at the plant; and purchase power in the post October 2001 time period. CFAC also agreed to not argue for any direct or indirect service of federal power after September 30, 2006. Bonneville will use this agreement as a model for ongoing negotiations with Kaiser Aluminum and Chemical Co.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

IV. Press Inquiries

Newspaper Suggests Pursuing Terminated Nuclear Plant: An article in the *Tri City Herald* last week suggested that completing WNP-1, one of four nuclear plants terminated in the 1980s by the Washington Public Power Supply System, might make sense after all. The four plants were terminated when projected electricity demand did not materialize. Today, though, electricity demand is growing steadily and electricity prices are skyrocketing. The 1,300-megawatt project is two-thirds completed and finishing it is expected to cost \$3-4 billion. The article noted that there are huge political and financial hurdles, and that no party has come to Energy Northwest with a specific proposal to finish the project and buy the output. Owner Energy Northwest has been exploring ways to redevelop the project for other industrial uses.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

February 2, 2001

I. Schedule

February 6-8: Acting Administrator Steve Wright will be in Washington, D.C., to meet with Northwest Members of Congress regarding current energy issues.

February 21: The Acting Administrator will be in Vancouver, B.C., for the annual meeting of U.S. and Canadian entities on the Permanent Engineering Board regarding Canadian Treaty issues.

II. Key Departmental News

Streamflow Forecasts Down Again: With January coming to a close not much wetter than it started, the early bird streamflow forecast on February 1 dropped again from the January mid-month estimates. The current forecast projects natural Columbia River flows to be 63 percent of average, or 67 million acre-feet at The Dalles, Oregon, in February.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Northwest Power Planning Council (Council) Reports on Bonneville Power Administration (Bonneville) Fish Costs: The Council last week released a draft report on Bonneville's fish and wildlife costs under the Northwest Power Act and the Endangered Species Act. The Council's objective was to understand these costs in terms of categories that Bonneville's accounting and reporting have not used in the past, such as spending in each state, in each sub-basin, by species, by prime contractor, etc. Total Bonneville fish and wildlife costs since 1978 have been \$3.48 billion. Of this, about 39 percent has been due to hydropower operations to support migrating fish, primarily through altered water flows or spill. About 23 percent has been direct spending on projects directed under the Council's Fish and Wildlife Program. The balance has been Federal agency projects including hatcheries, dam modifications, barges, fish ladders, and the like. The Council is soliciting comments on the draft report for 30 days. The report is on-line on the Council's Internet Web site, at www.nwppc.org.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Work Suspended on Wind Project: Bonneville has decided to suspend work on the Environmental Impact Statement for the Condon Wind Project in Eastern Oregon because results of monitoring at the site are disappointing. Six months of data collected to this point show less wind than projected at the site, and as a result developer SeaWest has recently proposed higher prices for the energy than

Bonneville can justify paying. Bonneville has asked SeaWest to explore possibilities for reducing costs. The most straightforward way is to increase the size of the Project, from the proposed 24.8 megawatts (MW) to 50 or 75 MW. However, this will require going through the expedited Oregon site certificate process, which typically takes at least a year. SeaWest and Bonneville agreed to spend three months exploring alternatives.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

First-Ever Regional Load Resource Summary Due: The Northwest Power Pool will release an aggregate February-March load and resource forecast for the Pacific Northwest early next week. This is the first time that a regional summary of load center data has been compiled. Previously, these data were proprietary, but the newly formed Energy Response Team has made it possible to aggregate market-sensitive data. The regional summaries are critical to developing coordinated responses to the demands of the west coast energy crisis.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

General Accounting Office (GAO) to Release Report on Preference: The GAO will release its report on preference laws by mid-February by posting the document on its Web site. The report was requested in the last Congress by the House Subcommittee on Water and Resources, but was never released. Bonneville reviewed a draft of the report last year, and our comments will be included. The report is essentially a history of the development of laws that give public agencies preference to federal power. The Committee is not expected to take further action on the report at this time.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

California to Return all Exchange Energy in Next Two Weeks: The California Independent System Operator (ISO) has given Bonneville a plan for reducing its outstanding return balance to zero by February 16. Bonneville anticipates that after mid-February, weekend loads in the Northwest may not be high enough to allow Bonneville to continue to take return of substantial amounts of energy due to minimum generation requirements on the system. As of January 31, Bonneville had sent 299,787 megawatt hours (MWh) to the ISO, and had received 567,762 MWh back in the 2-for-1-exchange agreement, with 72,812 MWh still owed under the terms of the exchange. These numbers translate to Bonneville having received about 176 percent of the total power sent to California for the November 14 - January 31 period.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Federal Agencies Release Action Plan for Salmon Recovery: Bonneville, the U.S. Army Corps of Engineers, and the Bureau of Reclamation will release next week an outline of a five-year implementation plan as required in the new National Marine Fisheries Service and the Fish and Wildlife Service Biological Opinions (BiOp). Under the 2000 BiOp, the three action agencies are to develop a five-year plan with specific actions to achieve specified hydropower and offsite mitigation performance standards, as well as a more detailed annual plan. Both plans will be updated annually.

The action agencies are not taking formal comments on the implementation plan. The hydro component will be discussed with established regional technical teams. The off-site mitigation components will be integrated with the Council's Fish and Wildlife Program as well as other applicable federal, other state, tribal and regional programs. The first five-year implementation plan and the annual component for fiscal year 2002 are scheduled to be completed by September 2001.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

IV. Press Inquiries

Administrator Explains California Exchange to Public: The Portland *Oregonian* and the Missoula, Montana, *Missoulian* ran a guest editorial authored by Acting Administrator Steve Wright late last week explaining Bonneville's current 2-for-1 energy exchanges with California and why they benefit the Northwest as well as California.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Direct Service Industrial (DSI) Deal Could be New Paradigm: An article this week in the Portland *Oregonian* covered a potential deal between Bonneville and McCook Metals for power service to the Longview aluminum plant that McCook is purchasing from Alcoa. Bonneville and McCook are close to reaching an agreement that will result in the company developing a new generation resource in the 2004-2006 time frame in exchange for an equivalent amount of power in later years. This would reduce Bonneville's system augmentation costs in the upcoming rate period and ultimately move the plant off the federal system. Details are still in negotiation, but the parties expect to announce a deal by mid-February.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Press Pursuing Kaiser Story: A reporter from the *Seattle Times* has asked for and received copies of Bonneville's contracts with Kaiser Aluminum, with certain redactions such as pricing information. With the exception of Kaiser, Bonneville

has now reached mutually beneficial agreements with its DSI customers that free up energy to meet Northwest loads while helping to preserve the long-term viability of aluminum workers' jobs and the companies in the region's economy. Bonneville is seeking a similar agreement with Kaiser executives, but progress has been slow.

An article this week in the Spokane Spokesman Review related that Kaiser has resold all of its February and March power from Bonneville, and a portion of its April through September allotment. All told, Kaiser has netted over \$200 million reselling its power since December, the company announced this week. So far, Northwest ratepayers have not benefitted from this remarketing, as they have in the case of Golden Northwest and Columbia Falls Aluminum Company. If Kaiser resells Bonneville power at market and fails to use the proceeds as agreed in its new contract, Bonneville may reduce the amount of power or raise the rates on the power it sells to Kaiser in the 2002-2006 rate period.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

February 9, 2001

I. Schedule

February 21: Acting Administrator Steve Wright will be in Vancouver, B.C., for the annual meeting of U.S. and Canadian entities on the Permanent Engineering Board regarding Canadian Treaty issues.

II. Key Departmental News

Bonneville Power Administration (Bonneville) to Supplement Amended Rates Proposal Next Week: Bonneville expects to supplement its proposal to amend the Fiscal Year (FY) 2002-2006 power rate proposal, currently under suspended consideration at Federal Energy Regulatory Commission (FERC), on February 14. The supplement will build on a settlement proposal from Bonneville's utility customers. Also last week, the hearings officer approved a revised schedule for the current power rates amendment process because continually changing market conditions and ongoing settlement discussions with the parties created a need to update Bonneville's amended proposal. Last summer, Bonneville petitioned FERC to suspend consideration of its FY 2002-2006 Power Rates proposal due to changing markets for power and increased load obligations beyond those assumed in that proposal. Bonneville and regional stakeholders are now working on an amendment to that proposal in order to preserve Bonneville's ability to make its annual Treasury payment in an increasingly volatile wholesale energy market.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Forecast Shows Seven-State Northwest Region Barely in Load-Resource Balance: The Northwest Power Pool (NPP) late last week released its regional load/resource forecast. Based on aggregate numbers from the region's 16 control areas, electrical energy supplies for February are 99 percent adequate. For March resources are just barely adequate. These are figures for the entire NPP area (seven states and two Canadian provinces). The NPP agrees with Bonneville that the situation is far more serious for the four-state area traditionally served by Bonneville, where the deficit may be 1,000 megawatts or more. The NPP forecast assumes normal weather conditions and a 15 percent unplanned generation outage rate.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Federal Energy Regulatory Commission (FERC) Approves Bonneville Rate Adjustment: Last week FERC approved Bonneville's adjustment to its 1996

unauthorized increase (UAI) charges for February 2001 through September 2001. In 1996, the UAI was set at \$100 a megawatt hour for energy and \$0.87 per kilowatt for demand. The market price for energy is now routinely higher than this charge, making it an attractive alternative rather than a deterrent. With the adjustment, effective February 1, the UAI for the rest of the current rate period is identical to the UAI Bonneville has proposed in the 2002 rates and reflects market prices.

Media Interest: No.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

IV. Press Inquiries

Interest Groups Challenge Bonneville's Balancing of Fish and Power

Operations: A front-page article in the Portland *Oregonian* carried the banner for fish interests in the region who are concerned about Bonneville's operation of the federal hydro system to meet regional energy demands. These operations increased the probability that reservoirs won't refill in time for spring juvenile salmon migration.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Media Discussions Continue Regarding Kaiser Aluminum's Obligations:

Aaron Jones, head of the Northwest Rural Electric Cooperatives Association, authored an opinion editorial in the *Spokesman Review* this week saying that Kaiser Aluminum has an obligation to share the financial benefits it is currently realizing from remarketing Bonneville power. Kaiser has maintained it has no contractual obligation to share the benefits with Northwest ratepayers, as other Bonneville direct service industrial customers have agreed to do with some of their remarketing proceeds.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

Bonneville Publishes Annual Report: Bonneville's 2000 Annual Report is now available on the Internet at <http://webip1/Corporate/KCC/ar/ar2.shtml>. The report on CDROM will be sent out next week to those who request it. The printed version is scheduled to be out the end of the month.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

February 16, 2001

I. Schedule

February 21: The Acting Administrator Steve Wright will be in Vancouver, B.C., for the annual meeting of U.S. and Canadian entities on the Permanent Engineering Board regarding Canadian Treaty issues.

II. Key Departmental News

Power System Emergency Declared: Bonneville declared a power system emergency February 12, 2001, due to increased power loads resulting from cooler weather in the Pacific Northwest. Declaring the emergency allowed Bonneville to generate more power on the federal hydro system and exceed outflows at the headwaters reservoirs beyond those specified in the fiscal year (FY) 2000 Biological Opinion (BiOp) for Operation of the Federal Columbia River Power System (FCPRS). Bonneville is consulting with executives from the Corps of Engineers, the Bureau of Reclamation, National Marine Fisheries Services, and United States Fish & Wildlife Service on these operations.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Bonneville Proposing Contingency River Operations for 2001: Speaking to the Northwest Power Planning Council (Council) last week, Bonneville Vice President of Generation Power Supply Greg Delwiche outlined the agency's proposal for contingency hydro operations in FY 2001. The operations are designed to balance operating requirements in the FY 2000 BiOp for endangered fish with power system reliability, while preserving Bonneville's financial solvency. Delwiche told the Council that at this point, if the river were managed to the BiOp targets for spill and flow, Bonneville would have an estimated 44 percent probability of making its Treasury payment in September. Bonneville's contingency hydro operations plan, still to be decided on by Federal executives, would produce a probability of 84 percent. Indicators such as rising or falling market power prices and forecast and actual power supply would trigger contingency operations. Operations could be adjusted throughout the fish migration season if the indicators change. The contingency operations would reduce the amounts of spring and summer spill for fish and emphasize summer flow augmentation.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Bonneville Customers to Receive Rate Discount for Conservation and Renewables: The Administrator signed the Conservation and Renewables Discount (CRD) Record of Decision this week, paving the way for Bonneville's customer utilities to initiate conservation and renewables efforts that qualify for the discount eight months in advance of the new rate period that begins October 1, 2001. Under the CRD, Bonneville will

discount customers' power rates in the FY 2002-2006 rate period for conservation and renewables initiatives they implement in their service areas.

Media Interest: Some

Program Contact: Jeff Stier 202-586-5640

Irrigators Paid to Use Less Power: Bonneville plans to offer a voluntary load reduction program for irrigation within the next few weeks as another tool to respond to the west coast energy crisis. Under the program, Bonneville would pay farmers through its utility customers to reduce their irrigation loads by a specific amount, compared to earlier years. To do this, they could switch to non-irrigated crops or leave land fallow. Bonneville expects the program to reduce irrigation loads from May through September this year. This will not only help reduce Bonneville's purchase power costs and improve the reliability of the grid this summer, but may also reduce water withdrawn for irrigation, helping streamflows for fish in what is likely to be a very dry summer.

Media Interest: Some

Program Contact: Jeff Stier 202-586-5640

Voluntary Conservation Making a Difference: Calls for voluntary conservation appear to be having an effect. Last Wednesday, with temperatures of 10 degrees below normal, Bonneville's system load was about two percent less than what would have been expected under the same conditions. This two percent is almost the equivalent of the output of a combustion turbine. The water effect is that the level in the 210-mile long Lake Roosevelt that is behind Grand Coulee Dam is 0.1 feet higher than it otherwise would have been. It will serve to increase flows for juvenile salmon one day next spring by two percent.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Studies Forecast Economic Impact of Aluminum Plant Closures: A review of six studies provided to the Aluminum Study Group concluded that the impacts of aluminum smelter closures have been overstated. Local economies may be affected short-term, particularly in areas that are not economically diversified. However, the long-term effect on the state and the region will be gradual and businesses and people will adjust. One of the studies pointed out that reduced electric demands from the closures benefited the region by reducing energy prices. The Aluminum Study Group lead said the group has achieved its objectives of understanding the value the aluminum industry adds to the economy and their survivability given projected prices for power and aluminum. The group's role is expected to shift now to that of a sounding board for Bonneville and the region.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

Fish and Wildlife Credits May Help Bonneville Meet Treasury Payment: Two funds designed to help Bonneville recoup fish and wildlife expenditures are being considered as tools to help Bonneville meet its financial obligations in the fact of poor water conditions and soaring power prices. The Fish Cost Contingency Fund (FCCF) and the 4(h)(10)(C)

credits (the citation refers to a section of the Northwest Power Act) were established to compensate Bonneville for the nonpower costs of fish recovery actions on the federal hydro system. Until 1995, Bonneville had been paying for all fish and wildlife mitigation costs at the dams, including those associated with the dams' non-power purposes. In 1995, the Office of Management and Budget executed an agreement with Senator Mark Hatfield to allow Bonneville to get credit on its Treasury repayment for these latter costs. The FCCF established a fund of \$325 million for nonpower costs incurred before 1995, which Bonneville could draw on during specified adverse circumstances. As of January 30, Bonneville estimated FY 2001 access to the FCCF credit at \$158 million. The 4(h)(10)(C) credits for nonpower fish and wildlife costs are currently estimated at approximately \$458 million in FY 2001, based on estimated power purchase costs to meet BiOp targets.

Media Interest: Some

Program Contact: Jeff Stier 202-586-5640

III. Work on Secretarial Initiatives

IV. Press Inquiries

Aluminum Company Promotes its Position in Ads: Kaiser Aluminum has taken out ads in Northwest papers claiming it is helping the West's power situation by reselling power to Bonneville, while still taking care of workers. Bonneville still has not reached an agreement with Kaiser to ensure the company shares the benefits of its remarketing rights with ratepayers and workers. Laid-off Kaiser workers are currently receiving 70 percent of their salaries as required under union contracts. Last week, Kaiser posted gains of \$16.8 million for FY 2000, reversing its trend of yearly losses. The major factor contributing to this turn around was the sale of federal power for \$103.2 million.

Media Interest: Yes

Program Contact: Jeff Stier 202-586-5640

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

February 23, 2001

I. Schedule

March 12: Acting Administrator Steve Wright will speak at a Northwest forum on Preserving the Benefits of the Columbia River, co-sponsored by Bonneville Power Administration (Bonneville) in Portland, Oregon.

II. Key Departmental News

Rates Settlement Reached: Bonneville reached a settlement agreement with utility customers February 15 on the 2002-2006 wholesale power rate proposal. The direct-service industrial (DSI) customers and the tribes did not join the settlement. The agreement consists of a methodology for providing the flexibility to adjust rates during the rate period. Bonneville expressed gratitude for the customers' collaboration during this challenging time. The task now is to achieve a regional agreement on how to reduce the amount of power Bonneville has to buy and the price it has to pay. That will help get the rate increase down to a level that will minimize the negative impact on the Northwest economy while protecting the environment.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Rates Modification Case Continues: This week, Bonneville submitted an amendment to its December initial proposal that reflects the settlement with customers. While the rate case modification will proceed according to schedule, with a final Record of Decision (ROD) by June 20, the effect of the settlement will likely shorten the time and effort required for events such as cross-examination to the DSIs' and tribes' cases. If the settlement approach is eventually approved for Bonneville's 2002-2006 rates modification, this would be the first time that Bonneville has instituted a variable rate.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

DSI Customers Propose Remarketing Deal: DSI aluminum companies are seeking a right to remarket federal power they do not use under their 2002-2006 subscription contracts. They do not have such a right in their contracts, and Bonneville believes there should be no special deal for DSIs. Bonneville is exploring much less expensive ways to mitigate the impact of the Cost Recovery Adjustment Clause (CRAC) on DSIs. The DSI proposal would let them reduce their operations, resell their power in the market, and use the proceeds to offset the higher rates when the CRAC is in effect. But Bonneville has to buy this power in the market to serve them at a below-market rate in the first place. At

today's market prices, the DSIs could buy down their CRAC by remarketing only a small fraction of their plant load, ensuring a large amount of DSI load would continue with Bonneville at very low rates. If DSIs take all 1,500 average megawatts of their subscription power, under this kind of deal, it would cost Bonneville's other ratepayers more than \$3 billion at today's prices to support the necessary power purchases over the five-year rate period.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Kaiser Talks Cease: Talks with Kaiser Aluminum have broken down about an agreement to share its windfall profits from remarketing Bonneville power as requested for continued service from Bonneville after 2001. Kaiser has rejected Bonneville's offers that it had earlier said would be adequate to achieve its financial goals. Kaiser is netting roughly \$500 million from remarketing federal power. Kaiser has also refused to commit any portion of its windfall toward the future viability of its Northwest facilities. Bonneville Vice President for the Power Business Line Paul Norman has written a highly critical letter to Kaiser stating, "Kaiser's insistence on enriching itself rather than investing in its Northwest smelter bodes ill for the future viability of its Northwest operations."

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

U.S. Army Corps of Engineers (Corps) Did Not Consider Clean Water Act (CWA), Judge Rules: A federal district court judge ruled last week that the Corps did not address compliance with CWA in its 1998 Record of Decision (ROD) on operating the four lower Snake River dams for salmon recovery. Ruling on a suit brought by the National Wildlife Federation, the court said that the dams have a "significant effect on the exceedances of state water quality standards," although "dam operations are not the sole cause." The court has remanded the case to the Corps for further consideration, asking the Corps to issue a new ROD that addresses compliance with the CWA within 60 days. This direction indicates that the court recognizes that the Corps may have some discretion to balance the demands of CWA with other statutes such as the Endangered Species Act, as long as it takes all factors into consideration.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

IV. Press Inquiries

Editorial Gives Pros and Cons on Regionalization: The February 16 Portland *Oregonian* contains a timely op-ed column on the pros and cons of regionalizing control of Bonneville. Oregon Senate President Gene Derfler sees an immediate need to pursue the concept. Public Power Council manager C. Clark "Jerry"

Leone offers the dissenting opinion.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Editorial Criticizes Bonneville's Irrigation Proposal: A February 16 editorial in the Spokane, Wash. *Spokesman Review* is critical of Bonneville plans to buy-down irrigation pumping load this spring and summer in order to preserve regional electricity service during the current drought. It incorrectly states that Bonneville is proposing to buy or lease water rights, a concept that Bonneville is not pursuing at this time.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

March 2, 2001

I. Schedule

March 6: Acting Administrator Steve Wright will appear on the Portland-based television station KATU's public affair program, "Town Hall," along with Bonneville Power Administration (Bonneville) Vice President of Power Operations Greg Delwiche. The program will focus on energy issues.

March 12: The Acting Administrator will speak at a Northwest Forum on Preserving the Benefits of the Columbia River, co-sponsored by Bonneville in Portland, Oregon.

II. Key Departmental News

Federal Agencies Propose Principles for Emergency Power Operations: The six Federal agencies involved in Federal Columbia River Power System (FCRPS) hydro and fish operations (Bonneville, the U.S. Army Corps of Engineers, Bureau of Reclamation, National Marine Fisheries Service, U.S. Fish and Wildlife Service and the Environmental Protection Agency) have drafted principles for emergency power operations. The principles set specific criteria for declaring a power emergency and operational priorities for meeting power and fish needs. Within its bounds, decisions about spill, flow and river operations in general are made by consensus among six Federal agencies based on recommendations of a State/Federal technical review team. The proposed principles are consistent with the Biological Opinion, which anticipates that emergencies may occur. The Federal agencies are seeking input from the region. Once the principles are finalized, the agencies will develop an operating plan based on the principles.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Signs Deal With New Northwest Aluminum Company: Bonneville held a joint press conference this week announcing an agreement with the McCook Metals Group that will ensure the long-term viability of the Longview aluminum smelter, benefit Northwest ratepayers and help save much needed water for fish. McCook purchased the Longview smelter from Alcoa and plans to install innovative technology to modernize the plant and produce special aluminum alloy products. McCook will voluntarily curtail some portion of the output at the Longview plant for a period of time, reducing demand on Bonneville. McCook also plans to build on-site generation by 2006 to serve its own power needs, freeing up federal power for use by other Northwest consumers.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Will Pay Irrigators Not to Use Energy: Bonneville announced February 26 that it will pay irrigators not to use electricity this year. Bonneville will offer qualifying utilities load reduction program contracts for the period from May 1, 2001 to October 31, 2001. For each month, Bonneville will offer a base price averaging approximately \$75 per megawatt-hour for energy that irrigators do not use. In addition, for irrigators who pump water directly out of the Snake or Columbia Rivers, Bonneville will pay a “locality adder” that reflects the value of water staying in the river for downstream generation. The utility is responsible for making sure that participants do not irrigate during the program time period and there are penalties for non-compliance. The purpose of the program is to reduce Bonneville’s electrical load during the upcoming summer months to lower the need to purchase in the volatile electricity market. Bonneville will evaluate the program at the end of this year to assess whether or not to offer a similar program in the future and to make any program design and pricing changes.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Requests Proposals for Wind Energy Development: Last week, Bonneville issued a request for proposals for new large-scale wind power projects.

Bonneville announced that it would purchase as much as 1,000 average megawatts (aMW) of wind power as fast as possible in order to help alleviate the energy shortage. The request set a minimum of 15 aMW (about 40 to 60 megawatts of capacity) for a project. Proposals are due by April 6. Bonneville is already a leader in the nation’s development of renewables and green power marketing and has signed contracts for a total of 84 aMW of renewables.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Work on Secretarial Initiatives

IV. Press Inquiries

V. FOIA Requests

VI. Grants, Economic Announcements and Publications

VII. Climate Change

VIII. Disaster Assistance

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

March 9, 2001

I. Schedule

March 12: Acting Administrator Steve Wright will speak at a Northwest Forum on Preserving the Benefits of the Columbia River, co-sponsored by Bonneville Power Administration (Bonneville) in Portland, Oregon.

March 21: The Acting Administrator will meet with Idaho Governor Dirk Kempthorne.

March 23: The Acting Administrator will speak at a seminar, "Mighty Columbia: Stakeholders' Rights and Responsibilities," in Seattle, Washington.

March 26-28: The Acting Administrator will be in Washington, D.C., to meet with Northwest Members of Congress.

II. Key Departmental News

Bonneville Addresses Worsening Northwest Drought: The National Weather Service River Forecast Center last week lowered its forecast of the volume of Columbia Basin water runoff for 2001 to only 55 percent of normal. This is the second-lowest runoff in the 72-year record. At this time Bonneville has been purchasing power from other sources in order to save water for fish at times when there was not enough water to meet the needs for both fish and power generation. These purchases represent an enormous financial cost to the agency. If the hydro system is operated this year according to the recommendations in the National Marine Fisheries Service's Biological Opinion for endangered salmon, Bonneville's cash reserves could reach negative \$400 million by July, assuming the current trend in market prices continues. Six regional federal agencies, including Bonneville, have drafted a set of proposed principles that describe the circumstances for declaring emergency power operations through 2001. These emergency operations would prevent Bonneville from becoming financially illiquid this fiscal year. The emergency actions are intended to be short-term measures of "last resort" to be used only if water or power market conditions do not improve.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

System Holds Up in Earthquake: The Bonneville transmission system sustained relatively little damage in last week's 7.0 earthquake—the strongest to hit Puget Sound since 1949. The problems that occurred on Bonneville facilities did not contribute to any power outages. The fact that an earthquake of this

magnitude caused so little damage is a tribute to Bonneville's seismic program. Bonneville has spent \$2.5 million since 1995 hardening facilities to prevent earthquake damage. Puget Sound has been the top priority, because it is the part of Bonneville's service territory considered most susceptible to earthquakes. Preliminary investigations also report that the region's federal dams, including Grand Coulee and Bonneville dams, came through the quake unscathed.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

New Transmission Needed Soon: Bonneville will soon need to reinforce its part of the Pacific Northwest's high voltage transmission grid. Since 1987, little transmission has been built. Instead, Bonneville and the other owners have boosted transmission capacity on the existing system through adding shunt capacitors and new controls. These schemes have reached their potential, so that further load growth and the thousands of megawatts of new generation planned for the systems must be accommodated by new major construction of lines and substations. With 80 percent of the Pacific Northwest's grid, Bonneville's reinforcement obligations are expected to accelerate its need for more borrowing authority from the U.S. Treasury.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance):
Nothing to report.

IV. Work on Secretarial Initiatives: Nothing to report.

V. Press Inquiries: Nothing to report.

VI. FOIA Requests: Nothing to report.

VII. Grants, Economic Announcements and Publications: Nothing to report.

VIII. Climate Change: Nothing to report.

IX. Disaster Assistance: Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

March 16, 2001

I. Schedule

March 21: Acting Administrator Steve Wright will meet with Idaho Governor Dirk Kempthorne.

March 23: The Acting Administrator will speak at a seminar, "Mighty Columbia: Stakeholders' Rights and Responsibilities," in Seattle, Washington.

March 26-28: The Acting Administrator will be in Washington, D.C., to meet with Northwest Members of Congress. Chief Operations Officer Steve Hickok will be acting.

April 2-6: The Acting Administrator will be on annual leave. Steve Hickok will be acting.

II. Key Departmental News

Targeted Spill For Juvenile Salmon Migration Reduced: Bonneville Power Administration (Bonneville) in cooperation with other Northwest Federal agencies spilled water March 10-12 at Bonneville Dam to help migrating young salmon released from the Spring Creek Hatchery in Washington State. The targeted spill was only 10 percent of last year's spill, due to critical water conditions in the Northwest. Spilled water does not go through turbines at the dam and does not generate power. The value of the water that was spilled was expected to be about \$2.1 million. Bonneville is appealing to citizens of the region to conserve energy whenever possible.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bond Sale Refinances Nuclear Debt: Bonneville and Energy Northwest sold \$500.1 million in refunding revenue bonds last week. The bond sale refinanced existing nuclear project bonds and extended the final maturity of certain Columbia Generating Station (WNP-2) bonds. Just before the sale, all three major bond-rating agencies reconfirmed Bonneville's existing high credit ratings.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Drill Simulates Emergency at Grand Coulee Dam: This week, the U.S. Army Corps of Engineers, Bureau of Reclamation, and Bonneville held an emergency exercise to simulate the failure of Grand Coulee Dam. Bonneville's part of the drill took place at the control center in Vancouver, Washington. It tested

Bonneville's response and recovery from a hole in the dam and the resulting major disruption to the load/resource balance. Though the dam is far below normal levels this year, the drill assumed a full reservoir and normal June streamflows.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

General Accounting Office (GAO) Visits Bonneville as Part of Audit: Staff from the GAO visited Bonneville this week as part of GAO's examination of California's electricity markets and the events of last summer. While GAO noted that Bonneville is not the focus of the audit, it is seeking background information from Bonneville as well as the Western Area Power Administration and the Department. California Representative Stephen Horn requested the audit. GAO is to brief Representative Horn on the results of its work by April 1, 2001.

Media Interest: No.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Bonneville Engineering Study Receives Top Award: Bonneville and its engineering contract firm, David Evans and Associates of Portland, were presented with an Honor Award this week in the 2001 Engineering Excellence Awards Competition sponsored by the American Consulting Engineers Council. The project was the San Juan Submarine Cable Corridor Study that Bonneville and David Evans and Associates undertook preparatory to the design and installation a new \$12 million submarine cable system to serve Orcas Power and Light Company in the San Juan Islands, Washington. The award was presented at a banquet in Washington, D.C.

VIII. Climate Change
Nothing to report.

IX. Disaster Assistance
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

March 23, 2001

I. Schedule

March 26-28: Acting Administrator Steve Wright will be in Washington, D.C., to meet with Northwest Members of Congress. Chief Operating Officer Steve Hickok will be acting.

April 2-6: The Acting Administrator will be on annual leave. Steve Hickok will be acting.

April 10: The Acting Administrator will attend the Washington Public Utility District Association annual congressional staff tour in Leavenworth, Washington.

April 11: The Acting Administrator will meet with the Montana Statewide Cooperative Association in Great Falls, Montana.

II. Key Departmental News

Poor Water Conditions Force Change in River Operations: Bonneville Power Administration (Bonneville) has stopped releasing extra water in the federal hydro system to protect chum salmon eggs below Bonneville Dam. More than half the salmon are expected to have emerged. With the eroding stream forecast, Federal agencies determined that the priority is now to fill reservoirs.

The increased flow requirement for chum salmon protection produced higher streamflows at times than needed to generate power for Northwest loads. When that occurred, Bonneville sold the surplus power to California. For eight or nine days before the chum flow ended, Bonneville sold surplus power to the California Department of Water Resources on an hour-by-hour basis. When the water releases for chum stopped, so did the surplus sales.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

California Cites Reduced Northwest Imports as Contributing to Power Emergency: The California Independent System Operators (CAISO) cited reduced power imports from the Northwest as one reason for the Stage-2 electrical emergency declared last week. This week, CAISO declared a Stage-3 emergency for a short time, and the state had rolling blackouts. Problems in California will continue to affect the Northwest.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Federal Agencies Meet; Discuss River Operations During Northwest

Drought: The federal executives from Bonneville, the U.S. Army Corps of Engineers, the Bureau of Reclamation, the National Marine Fisheries Service (NMFS), the U.S. Fish and Wildlife Service, and the Environmental Protection Agency met late last week with state and tribal officials to discuss fish operations for this year. In light of the poor water conditions on the federal hydro system, several critical decisions must be made soon on operations identified in the NMFS 2000 Biological Opinion. The states and tribes asked the federal executives to put together a straw proposal based on biological, power reliability, and Bonneville financial needs. Bonneville said the proposal could be done in four weeks. Participants agreed to keep meeting frequently due to persistent energy emergencies.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Media Interest in Bonneville Issues is Intense: The west coast energy crisis is generating 30-50 calls per day to the Bonneville Press Office from energy trade publications; wire services in Washington, DC; and New York, California, and Northwest media. Most are pursuing information on the California energy crisis and what the Northwest is doing in response and the impacts of the Northwest drought on power system reliability and fish operations.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

March 30, 2001

I. Schedule

April 2-6: Acting Administrator Steve Wright will be on annual leave. Chief Operating Officer Steve Hickok will be acting.

April 10: The Acting Administrator will attend the Washington Public Utility District Association annual congressional staff tour in Leavenworth, Washington.

April 11: The Acting Administrator will meet with the Montana Statewide Cooperative Association in Great Falls, Montana.

April 18: The Acting Administrator has been invited to participate in a regional roundtable hosted by Senator Patty Murray in Spokane, Washington.

II. Key Departmental News

Actions Needed Now to Avoid Future Power Supply Problems: According to an analysis prepared by the Northwest Power Planning Council (Council), reducing the amount of water spilled over Columbia and Snake River dams this spring and summer, along with continued use of "emergency hydro operations," will help ease potential power supply problems. These steps need to be combined with a number of other actions including accelerated energy conservation and demand-reduction efforts, and installation of emergency generators, says the Council, which released the analysis this week. In addition, Bonneville Power Administration (Bonneville) sent a letter to Northwest citizens this week addressing hydro system operations given the triple challenge of an extremely low water year, tight energy supply and high wholesale energy prices.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Will Allow Nuclear Plant Study: Bonneville will allow Energy Northwest's to use project funds to study the possibility of completing an unfinished nuclear plant to help meet Northwest energy needs. The nuclear project located on the Hanford Reservation in Washington State was terminated in the mid-1980s when it was 65 percent complete. Energy Northwest owns the Northwest's only operating nuclear plant, and Bonneville owns the power output from it. The study was requested by Representatives Doc Hastings (R-Wash.) and George Nethercutt (R-Wash.) in a recent letter to Energy Northwest.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Energy Conservation Gets Attention in Northwest: The Acting Administrator will attend the Washington emergency conservation summit in Seattle on March 31. Washington's congressional delegation members will host the summit.

In addition, Bonneville in collaboration with the NW Energy Coalition recently kicked off another conservation ad campaign. The campaign consists of a full-page ad that will run in 11 papers. It encourages people to take steps that will result in long-term conservation savings, such as changing out incandescent light bulbs for compact fluorescent. More than 40 public interest groups endorse the ad. In April, Bonneville's compact fluorescent light bulb (CFL) program will officially begin. The program specifically supports CFLs that display the USDOE Energy Star logo. It will focus on customer utilities that buy their power directly from Bonneville.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Northwest Hosts Wind Power Workshop: Bonneville officials will participate in the wind power workshop that will take place April 23 in Portland, Oregon. DOE, the Utility Wind Interest Group and the Northwest Public Power Association are the sponsors. The workshop is specifically for general managers or other representatives of public power interested in wind power.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Wind Power Proposals Due Date Delayed: Proposals to Bonneville for new large-scale wind power projects will now be accepted until April 20. The due date was delayed from April 6 to allow developers more time to prepare the requested information. The request for proposals has been well received. Bonneville plans to complete its evaluation by mid-May and will announce a short list thereafter. The solicitations of proposals was announced in late February 2001 and set a minimum of 15 average megawatts for a project. Bonneville is looking for about 1,000 megawatts of new renewable wind power.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

April 6, 2001

I. Schedule

April 9: Acting Administrator Steve Wright will address members of the press at a Bonneville Power Administration (Bonneville) press conference at Bonneville Headquarters, Portland, Oregon. The purpose of the press conference is to announce Bonneville's rate mitigation strategy.

April 10: The Acting Administrator will attend the Washington Public Utility District Association annual congressional staff tour in Leavenworth, Washington.

April 11: The Acting Administrator will meet with the Montana Statewide Cooperative Association in Great Falls, Montana.

April 18: The Acting Administrator has been invited to participate in a regional roundtable hosted by Senator Patty Murray in Spokane, Washington.

II. Key Departmental News

Bonneville Declares Power Emergency: The Acting Administrator has declared a power system emergency for the Federal Columbia River Power System. The power emergency is based on Northwest Power Planning Council estimates of power system reliability problems for spring and summer of this year and the impact of spill for fish passage under the 2000 Biological Opinion on west coast prices and reliability. At this time, there is not enough water available to meet both regional power needs and fish spill. Federal agencies plan to release an operational plan for this spring and summer by Friday, April 13.

Bonneville may have limited amounts of surplus power at different times during this month. The surpluses are a result of maintaining Vernita Bar minimum flow levels for Hanford Reach Fall Chinook salmon. Bonneville will first attempt to exchange any surplus for return later in the year to improve overall conditions for fish and reliability. If exchanges are not possible, Bonneville will sell the surplus and generate revenue in an effort to enhance our ability to avoid future declarations of power emergencies.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

New Forecast Predicts Lowest Water Year on Record: The National Weather Service's River Forecast Center issued its latest forecast for January to July Columbia Basin runoff on March 29. It is now predicting a runoff of 55.7 million acre-feet (MAF), or 53 percent of average, down from 58.6 MAF a month ago. If

the forecast proves accurate, it would make the August 2000 to July 2001 water year the worst on record.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Industrial Customer Shuts Down; Cites High Power Costs:

ATOFINA Chemicals, a Bonneville Direct-Service Industry (DSI) customer which produces chlorine and chlorate for the paper industry, announced it will shutdown its Portland, Oregon, plant “indefinitely” because of high power costs. Bonneville and Portland General Electric have bought back the power that the plant would have used. This will enable the company to compensate its 131 employees and ensure that the site is environmentally secure.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

General Accounting Office (GAO) Auditing Bonneville’s California Dealings:

The GAO has submitted an extensive list of questions for Bonneville to answer as part of an examination of Bonneville’s power marketing activities in California over the past three years. The GAO audit stems from three separate congressional requests for investigations into the California electricity market and Bonneville’s role in it.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Bonneville to Hold Press Conference Next Week: Bonneville is planning a press conference for Monday, April 9, in Portland, Oregon. The Acting Administrator will roll out Bonneville’s rate mitigation strategy. In order to avoid a huge rate increase this October, Bonneville is asking its Northwest customers (public utilities, investor-owned utilities, and DSIs) to work together to achieve significant load reductions through conservation, curtailments, and load buy-downs. Fish operations will also be affected. The Acting Administrator is stating that the strategy will require sacrifices from everyone.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

***National Geographic* Features Columbia River:** The April edition of *National Geographic* magazine has a 32-page spread on the Columbia River. The article, entitled “A River Dammed,” and subtitled: “Tamed for power, stripped of salmon: What next for the Columbia River?” describes the many competing uses of the river. It emphasizes the controversy over breaching the four lower Snake River dams. The magazine team spent seven weeks in the Northwest on the story last year.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

April 13, 2001

I. Schedule

April 18: Acting Administrator Steve Wright has been invited to participate in a regional roundtable hosted by Senator Patty Murray in Spokane, Washington. This will be followed by a media event that Murray is holding to promote current utility programs on compact fluorescent lighting.

April 19-20: The Acting Administrator will be out of the office in executive leadership training. Acting General Counsel Randy Roach will be acting.

May 2: The Acting Administrator will hear parties' oral argument in the 2002-2006 power rates modification.

II. Key Departmental News

Irrigation Program Yields Electricity Savings: With the positive response from farmers, Bonneville Power Administration (Bonneville) now expects to reduce loads by 90 to 120 average megawatts (aMW) this spring and summer from two related irrigation buy-down programs. The larger of the two will save 80 to 100 aMW by not pumping water 300 feet up from Lake Roosevelt behind Grand Coulee Dam into Banks Lake. Bonneville is paying farmers \$330 an acre not to irrigate for this program, a price well below the cost to purchase the equivalent power in today's wholesale market. The total cost to Bonneville for the two programs is estimated at about \$25 million.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Juvenile Salmon Transport Begins: This week, the U.S. Army Corps (Corps) of Engineers began collecting juvenile salmon, or smolts, from above the lower Snake River dams and transporting them down river in specially designed barges. The salmon are released below Bonneville Dam. The Corps expects to transport between 70 and 90 percent of Snake River smolts this year in order to get them past the dams in their migration to the sea. Due to the drought, Bonneville has declared a power emergency. Water that is normally spilled over the dams under the 2000 Biological Opinion to flush fish safely past the dams is now being used to generate hydropower to meet regional loads. Fish transport measures are thus being increased.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Utilities, Bonneville Offer Rebates on Energy Efficient Light Bulbs: Thirty-seven utilities have joined with Bonneville in a region-wide rebate campaign for compact fluorescent light (CFL) bulbs to reduce electric load. So far, more than 370 retailers are participating, including major chain stores as well as many independent stores. The program runs through September 2003. Bonneville estimates that up to half a megawatt of energy will be saved for every 100,000 CFLs used in place of incandescents, with up to 2 megawatts saved during peak winter hours. One megawatt is enough energy to power approximately 1,000 homes.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Transmission Towers Down on California Intertie Back In Service On or About April 15: Transmission towers on the California portion of the direct current (DC) power line downed on April 1 by a windstorm should be returned to service on or about April 15, 2001. The DC power line connects the Northwest and Southern California. The Los Angeles Department of Water and Power, which operates this portion of the DC line in California, is making the repairs.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Federal Agencies to Release Proposed Spring/Summer Hydro Operations Plan: Bonneville and four other Federal agencies released on Friday a proposed hydrosystem operations plan for the spring and summer. It establishes criteria which would result in significantly decreasing or completely eliminating spill operations designed to aid juvenile salmon migrants. This action will increase the capability of the hydrosystem significantly. The proposal also calls for a solicitation for mitigation alternatives to offset the impact on salmon. Under this proposal no spill will occur for at least the next 2 weeks.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Bonneville Announcement of Needed Cutbacks Draws Significant Press Coverage: The Acting Administrator's announcement this week that customers must reduce electric loads if a 250 percent or more rate increase is to be avoided

was covered in most major Pacific Northwest newspapers and broadcast media the following day. While the Acting Administrator called for contributions from public and private utilities as well, the headline news was his proposal that the direct-service aluminum company customers shutdown for up to two years.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

California Paper Challenges Northwest Right to Bonneville Power: A *Los Angeles Times* article last week took on the issue of Northwest preference to Bonneville power. The story variously accuses Bonneville of reaping windfall profits and of selling power for billions less than it could earn from selling at market rates. "The debate over who controls Bonneville and who benefits from it," the article said, "promises to emerge as a key question before Congress as the West's energy woes continue."

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

April 20, 2001

I. Schedule

May 2: The Acting Administrator will hear the parties' oral argument in the 2002-2006 power rates modification.

May 17: The Acting Administrator will speak at the annual meeting of the Northwest Public Power Association in Portland, Oregon.

II. Key Departmental News

Hydro System Operations Proposed: Six Federal agencies, including Bonneville Power Administration (Bonneville), have released a proposed plan for operating the Northwest federal hydro system during the drought. As proposed, the amount of spill would be based on volume forecasts for the Columbia River. For spill to occur, the forecast would have to be at least 60 million acre feet (MAF). (The April final forecast for January through July runoff at The Dalles was 56 MAF, 53 percent of normal.) The agencies are determining actions to take to offset the potential biological harm to fish from reduced spill. In addition, Bonneville extended the power emergency declaration through the end of the month, which suspends spill. The Biological Opinion (BiOp) requires federal hydro operators to spill some water over the dams rather than running it through the turbines, in order to help juvenile salmon migration in the spring and summer. Bonneville's decision extended an action taken in early April, when the Acting Administrator declared a power emergency under the BiOp and suspended the normal spring spill for two weeks.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Steelworkers Petition Bonneville for Tiered Rates: Hundreds of postcards from Northwest aluminum workers are arriving at Bonneville headquarters asking Bonneville for a two-tiered rate structure in 2002-2006. The United Steelworkers of America proposal would give all Bonneville customers three-fourths of their contracted power at cost-based rates and load the effects of market prices into the last fourth. The union proposal is similar to one that aluminum companies have been promoting in Washington, D.C. Publicly owned utilities are strongly opposed to the idea and say the result would be lower costs for direct-service industries at the expense of much higher rates for all other Bonneville customers.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Nuclear Plant Down for Refueling: The Columbia Generating Station nuclear plant is planning to conduct the shortest refueling outage in its history—30 days beginning in mid-May. The plant has started its coast down to refueling. In addition to refueling the reactor, many plant components will be refurbished during the outage and some new capital investments installed. Plant operator Energy Northwest is hiring an additional 700 people to supplement its over 1,000 regular full-time employees to do the work. This major undertaking will prepare the nuclear plant to run for its first 24-month cycle.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Report Accuses Bonneville of Profiteering: An article in the *Los Angeles Times* April 11 leaked findings from a study by the California Independent System Operator (CAISO) that accuses Bonneville, among others, of “consistently trying to inflate prices” and “. . . alleged excessive profits” in the California market. In fact, Bonneville has neither the ability nor an incentive to manipulate the California market. As the study itself noted, under California’s deregulation scheme, all suppliers offering power on the spot market receive a price equal to the highest bid accepted by the CAISO in any hour. Bonneville’s practice has in fact been to price its offers at well below the market clearing prices in the California market.

Further, Bonneville literally kept the lights on in California on several days over the last year by taking extraordinary measures in the operation of its hydro system.

California Governor Gray Davis, Senator Dianne Feinstein (D-Calif.), and the head of the CAISO itself, Terry Winter, have all written to Bonneville acknowledging this contribution and thanking Bonneville for its help.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

April 27, 2001

I. Schedule

May 2: Acting Administrator Steve Wright will hear parties' oral argument in the 2002-2006 power rates modification.

May 17: The Acting Administrator will speak at the annual meeting of the Northwest Public Power Association in Portland, Oregon.

II. Key Departmental News

Power Emergency Offset Policy Proposed: The Bonneville Power Administration (Bonneville) is proposing to offset adverse impacts to fish resulting from power system emergencies. Offsets for power system emergencies are contemplated under the Biological Opinion. A draft policy that would guide Bonneville as it considers proposals to offset the emergency measures was shared with regional interests this week. The key focus will be on offsetting impacts for Endangered Species Act (ESA) listed fish, but consideration also will be given to offsetting impacts to other fish, including resident fish. Among the latter, proposals that cover both ESA and non-listed fish will receive greater weight. Actions will also be evaluated in light of tribal trust, treaty, sovereign, and Executive Order considerations. This focus is solely on Bonneville's emergency operations this past winter and spring. It does not address impacts of the drought conditions. Actions should 1) result in more water in the river system; 2) address other imminent risks to the survival of affected fish; or 3) remove more power load from the system. Actions must also be ready for "on the ground" implementation this year.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Adult Endangered Fish Returning to Spawn in Record Numbers: Spring chinook salmon continue to return to the Columbia River in record numbers. State, tribal, and Federal officials revised their forecasts for fish getting past the Bonneville Dam to 440,000. The previous record (218,000) was set in 1955. Records have been kept since 1937 when the dam was completed. Spring chinook are listed as endangered under the ESA, and Bonneville and the other Federal action agencies have implemented aggressive programs to recover the species. Improvements in ocean conditions are also credited with the growth in the numbers of hatchery and wild fish in recent years.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Direct Service Customers Start Ad Campaign Criticizing Bonneville: This week Bonneville's direct-service industrial (DSI) customers rolled out a television advertising campaign with the slogan, "Save electricity. Save jobs." The campaign is intended to generate public support for the DSI's tiered rate proposal. The campaign is critical of Bonneville for seeking temporary (one- to two-year) shutdowns of the DSIs in order to reduce Bonneville's exposure to the high-priced electricity market. Bonneville is offering to offset DSI costs during the period of shutdown.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Acting Administrator to Sign Agreement that Will Lead to Increased Renewables Development: The Acting Administrator will sign an agreement with the Bonneville Environmental Foundation (BEF) Monday, April 30, designed to promote development of renewable energy sources.

Green Tags are a way for government agencies and corporations to purchase the green power attributes of qualifying wind, geothermal, solar, or biomass resources. Green Tag purchasers receive renewables credits which can be used toward their requirements for reduction of carbon dioxide and other greenhouse gas emissions. BEF will market "Green Tags" to large retail purchasers, government agencies, corporations, and others. The proceeds will go toward creating additional revenue to expand the \$15 million Bonneville fund for net costs (costs above market value) of renewable resource development.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Federal Energy Regulatory Commission (FERC) Approves Regional Transmission Organization (RTO) Filing: FERC this week approved Northwest utilities' submittal under FERC Order 2000, RTO West, with some modifications. FERC commended Bonneville and the eight Northwest utilities (including Avista Corp., Idaho Power Co., Montana Power Co., Nevada Power Co., PacifiCorp, Portland General Electric, Puget Sound Energy, and Sierra Pacific) in RTO West for the extraordinary collaborative process and for finding a solution that includes both public and private utilities. Bonneville and the filing utilities will now develop a work plan for a Stage 2 filing, targeted for later this summer, that addresses FERC's requested modifications and develops the details of the initial filing.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bond Refinancing Helps Bonneville Pay Off Treasury Debt Earlier:

Bonneville and Energy Northwest sold about \$100 million in refunding revenue bonds on April 18. Bonneville extended the retirement dates for some bonds on nuclear projects 1 and 3, as well as the Columbia Generating Station nuclear

plant, that were scheduled to mature July 1, 2001. The interest rates on the new bonds are about 4.8 percent, much lower than Bonneville's average cost of capital of 6.6 percent. This refinancing provides the ability to pay off \$100 million of Treasury debt earlier than planned, relieving pressure on Bonneville's Treasury borrowing authority. The bond sale was a part of a multi-phase refinancing in a debt optimization program.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Supports New Solar Station: Bonneville, the Bonneville Environmental Foundation, and Energy Northwest announced plans to build a 50-kilowatt solar installation at Hanford, Washington. At least 27.5 kilowatts should be operational this July. The estimated cost of the new plant is \$250,000.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Bonneville Receives Award for Reducing Employee Automobile Commutes:

The City of Portland (Oregon) presented Bonneville with a Premier Partner Award for Bonneville's transit efforts where the headquarters office is located. The award recognizes Bonneville for its help to increase public transportation use and reduce worker commutes by automobile. Since 1999, Bonneville has achieved a 50 percent increase in transit participation, a 74 percent increase in commutes to work by bicycle and a 62 percent increase in people walking to work. These changes helped cut private auto miles traveled to work in the area by nearly 825,000 miles.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

May 4, 2001

I. Schedule

May 9: Acting Administrator Steve Wright will speak on a panel at the Western Governors' Association Electricity Transmission Roundtable in Salt Lake City, Utah. Chief Operating Officer Steve Hickok will be acting.

May 17: The Acting Administrator will speak at the annual meeting of the Northwest Public Power Association in Portland, Oregon.

II. Key Department News

Water May be Spilled for Fish Migration: The Bonneville Power Administration (Bonneville) plans to make a decision soon on whether or not to provide limited spill at two federal dams for fish migration during the month of May. Northwest federal agencies, including Bonneville, have been conducting a process to consider whether spill can be provided in view of this year's drought conditions and, if so, how much. Spill during the month of May would likely provide the most biological benefit for fish. Bonneville has obtained agreement on financial and reliability criteria that would govern any spill decision.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Water Rights Agreements Seek to Increase Water for Power Generation:

Bonneville has signed agreements in principle with three eastern Oregon farmers to provide temporary transfer of irrigation water rights and thus increase flows in the Snake River. The objectives of the pilot program are to increase available federal power by purchasing water rights for in-stream flows and to test the mechanisms for establishing such water rights acquisition agreements.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Wind Developers Propose Projects: Wind developers proposed 2,600 megawatts of wind generation in response to Bonneville's Request for Proposals for wind energy projects, which closed last week. Response was several times greater than expected. Most of the proposed sites are in Oregon (10) and Washington (8). The rest are distributed among Idaho, Montana, Wyoming, and even Canada. Bonneville will evaluate the projects in terms of cost, how well they can be integrated into the Northwest power grid and other factors. Bonneville will select the most promising proposals by the end of May and then begin contract negotiations with developers. Bonneville hopes the first projects can be online by early 2003.

Media Interest: Yes.
Program Contact: Jeff Stier, 202-586-5640.

Aluminum Company Announces Huge First Quarter Profits: Kaiser Aluminum and Chemical Company, a Bonneville direct-service industrial (DSI) customer that has shut down operations and is remarketing federal power, announced first quarter profits of almost \$120 million. Most of those profits are derived from the resale of Bonneville power. Kaiser says it is using the money to rebuild its Gramercy, Louisiana, refinery, buy down debt, and compensate employees, along with environmental claims and taxes. Along with the profits announcement came the message that within the next two weeks the company would be making final decisions on asset sales to further reduce debt. Kaiser did not say which plants or what type of equipment it would sell.

Media Interest: Yes.
Program Contact: Jeff Stier 202-586-5640.

Sports Anglers Paid to Catch Salmon Predators: Bonneville announced the opening of the 2001 northern pikeminnow fishing season beginning this week and through September 30, 2001. Bonneville will pay \$4 to \$6, depending on the number turned in, for every northern pikeminnow anglers catch. Pikeminnow is a major predator of young salmon, devouring millions of smolts each year as they migrate to the sea. Since 1990, sport-reward anglers have caught over 1.5 million northern pikeminnow in the Snake and Columbia Rivers. Biologists estimate that the program has cut predation on young salmon by about 25 percent. The program is part of Bonneville's comprehensive effort to protect and enhance fish and wildlife affected by hydropower development.

Media Interest: Yes.
Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Department Recognizes Bonneville Employee: At a Utility Wind Interest Group workshop in Portland, Oregon, DOE staff Phil Dougherty awarded Bonneville renewables program manager George Darr with a Certificate of Appreciation for Darr's efforts to develop wind power in the Pacific Northwest.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Recognized as Leader in Clean Energy Challenge: Climate Solutions has named Bonneville as the first regional government to meet the Northwest Clean Energy Challenge criteria. The energy challenge asks utilities, governmental units, and businesses to use and invest in renewable energy such as wind and solar power. Nine other local government units or utilities and more than two dozen businesses have met the challenge so far. Climate Solutions is an organization dedicated to stopping global warming.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

May 11, 2001

I. Schedule

May 15: Acting Administrator Steve Wright will provide an update on the power situation and related issues at the Northwest Power Planning Council meeting in Helena, Montana. Chief Operating Officer Steve Hickok will be acting.

May 17: The Acting Administrator will be in Washington, DC, to meet with members of the Pacific Northwest congressional delegation. Steve Hickok will be acting.

May 23: The Acting Administrator will speak at the Washington Public Utility District managers meeting Arlington, Washington. Steve Hickok will be acting.

May 24: The Acting Administrator will dedicate the Woody Guthrie Circle in front of the Bonneville Power Administration (Bonneville) Headquarters Building in Portland, Oregon.

May 31: The Acting Administrator will be a featured guest at a town hall meeting hosted by Montana Senator Max Baucus and others in Kalispell, Montana. Steve Hickok will be acting.

II. Key Departmental News

Decision to Spill Water for Fish Pending: Bonneville had not decided whether to permit limited fish spill at two lower Columbia River dams as of Friday morning. A decision to spill could come during a meeting Friday in Portland with Northwest States and Tribes. The decision would be based on an arrangement with Grant County Public Utility District (PUD) in Washington State that would provide a backup plan if water volumes fall short later this year. Spill passes water through spillways to help endangered juvenile fish pass dams safely. The spilled water does not go through generators; therefore it does not generate electricity. According to fish experts, May is the premium month to spill because the majority of endangered fish are migrating downstream during this month. The creative arrangement with Grant County PUD would leave Bonneville no worse off if it spills than it would have not spilled.

Bonneville will Fund High Priority Fish Recovery Projects: Bonneville announced this week it will fund up to 15 high priority projects designed to provide immediate aid to endangered fish in the Columbia River Basin. High priority projects can be implemented within the year and begin providing immediate and measurable benefits to endangered fish. The projects address

improving water quality and quantity, improving fish passage in turbines, and enhancing or protecting fish habitat. Each project received extensive scrutiny to ensure it met the high priority criteria.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Environmental Groups Sue on Federal Salmon Recovery Plan: Thirteen environmental and fishing interest groups have sued the National Marine Fisheries Service, claiming its Biological Opinion (BiOp) for Federal Columbia River Power System operations is flawed. The suit specifically targets the BiOp's recognition of power emergencies.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Steelworkers Protest Bonneville's Request: About 500 aluminum workers staged a rally in front of Bonneville's Portland headquarters building last Friday protesting the Acting Administrator's proposal to purchase load curtailments. The Acting Administrator has asked the direct service industries, primarily aluminum companies to curtail energy use for one to two years so that Bonneville will not have to purchase expensive wholesale power in order to serve them, which will dramatically increase rates for all Bonneville's customers. An initially hostile crowd was virtually turned around when the Acting Administrator informed them that Bonneville is negotiating with the companies to require that displaced workers receive full wages and benefits during the curtailment period. The United Steelworkers of America acknowledged and commended Bonneville for fighting for workers during the recent plant closures. Press coverage of the event was extensive.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville to Purchase Wind Energy: Bonneville has announced plans to purchase power from two Northwest wind projects. The Maiden wind farm will be located in central Washington. The second project could be the first wind farm on tribal land. It is planned for the Blackfeet Indian Reservation in Glacier County, Montana.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Bonneville Program to Save Energy at Vending Machines: Bonneville announced this week a region-wide program to install a power control device known as "VendingMi\$er" on as many of the region's vending machines as possible, beginning this month. VendingMi\$er is a small electronic device that reduces the energy consumption vending machines during inactive periods, such as nights and weekends. Bonneville expects to reduce its load by as much as 14.75 average megawatts through this program, or enough energy to power up to

14,750 homes.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

Proposed Transmission Line Would Ease Congestion: Bonneville is conducting environmental scoping sessions on its proposal to construct a new transmission line from McNary Substation to John Day Substation. The new line would ease transmission congestion on a crucial east-west corridor and facilitate integration of proposed new power plants. The line would largely use Bonneville's existing rights-of-way. Bonneville will publish an environmental analysis early next year. If the agency decides to proceed with the line, construction would likely begin in 2003.

Media Interest: Yes.

Program Contact: Jeff Stier, (202) 586-5640.

II. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Bonneville Honored as Family-Friendly: "Children First" of Oregon honored Bonneville this week as the top family-friendly government employer in Oregon at its fifth annual 2001 *Families in Good Company* awards presentation. The award honors Oregon employers who have made a commitment to programs and policies that help their employees balance work and family responsibilities. Children First is a nonprofit research and outreach organization dedicated to improving child well being through legislative and community initiatives.

Media Interest: Some.

Program Contact: Jeff Stier, (202) 586-5640.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

May 18, 2001

I. Schedule

May 19: Acting Administrator Steve Wright will testify at a hearing of the House Water and Power Subcommittee, in Tacoma, Washington, on the Pacific Northwest drought and energy availability.

May 23: The Acting Administrator will speak at the Washington Public Utility District Managers Meeting. Acting General Counsel Randy Roach will be acting.

May 24: The Acting Administrator will dedicate the Woody Guthrie Circle in front of the Bonneville Power Administration (Bonneville) Headquarters Building in Portland, Oregon.

II. Key Departmental News

Bonneville Begins Limited Spill to Help Fish: Bonneville began spilling water past Bonneville and The Dalles Dams at 6 p.m. on May 16 to help endangered chinook and steelhead migrate to the ocean. Bonneville will provide spill for three weeks or 300 megawatt-months, whichever comes first. This amount of spill is about 15 percent of that envisioned in the National Marine Fisheries Service 2000 Biological Opinion. The agreement is possible despite this year's drought and power emergencies thanks to a creative arrangement with Grant County Public Utility District (PUD). Bonneville will rely on the PUD to forego a portion of spill at two of its dams on the mid-Columbia in late spring or summer to generate power for Bonneville if needed to replace foregone power as a result of the limited May spill. The agreement is subject to approval by the Federal Energy Regulatory Commission (FERC). FERC has said it needs two weeks to complete its review. However, Bonneville has proceeded based on strong support from key regional parties. In addition, waiting to spill could significantly decrease the biological benefits because May is when the majority of endangered fish are migrating downstream.

Spill passes water through spillways rather than through turbines to help endangered juvenile fish pass dams safely. The spilled water does not generate electricity.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Seeks Proposals to Help Fish Affected by This Year's Operations: Bonneville last week issued a solicitation for proposals to address adverse impacts on fish that resulted from emergency hydro operations on the Federal Columbia River Power System (FCRPS) this past winter and spring. The proposals must go

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

May 25, 2001

I. Schedule

May 31: Acting Administrator Steve Wright will be a featured guest at a town hall hosted by Montana Senator Conrad Burns and others in Kalispell, Montana. Chief Operating Officer Steve Hickok will be acting.

June 12: The Acting Administrator will attend a stakeholders meeting at (location to be determined) hosted by Washington Governor Gary Locke to address the West Coast energy crisis and related Bonneville Power Administration (Bonneville) issues. Steve Hickok will be acting.

June 15: The Acting Administrator will speak at the Washington Rural Electric Coop Association annual meeting in Moses Lake, Washington. Steve Hickok will be acting.

June 18-19: The Acting Administrator will be in Washington, D.C., to meet with the Pacific Northwest congressional delegation and members of the Administration. Steve Hickok will be acting.

II. Key Departmental News

Bonneville Reaches Curtailment Agreement with Another Aluminum Company: Bonneville and Columbia Falls Aluminum Company (CFAC), located near Kalispell, Montana, have agreed on a curtailment of the plant's power supply from Bonneville for up to two years. The agreement covers 167 megawatts (MW) that CFAC would purchase from Bonneville under a contract commencing October 1, 2001. Affected workers at CFAC will receive pay and benefits while the potlines are idle.

The CFAC agreement brings Bonneville about one-third of the way toward its goal of reducing its loads by 2,000 MW in the next rate period. Bonneville does not have sufficient supply to serve all of its customers' requirements. By negotiating agreements with the aluminum companies to pay them to curtail production for up to two years, the agency hopes to avoid purchasing power in the expensive wholesale market.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Ad Campaign Criticizes Bonneville's Load-Reduction Efforts: An aluminum-interest organization called the Northwest Power Alliance has broadcast ads claiming that Bonneville's load-reduction plan could eliminate more than 30,000 Northwest jobs. In fact, rate increases caused by purchasing power to supply aluminum smelters this fall could cost the region four jobs in other industries for every job created in the aluminum industry and related businesses, according to the economic model developed for the regional Aluminum Study Group last year.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Environmental Groups Oppose Policy to Encourage Small Generating Resources:

Bonneville's proposed policy to facilitate Northwest utilities' bringing small resources on-line in the next 16 months to help increase generating capacity during the current power crisis drew immediate fire from environmental interests last week. Under the proposal, utilities could bring on resources without the normal restrictions in a Bonneville policy that can limit sales from regional resources to customers outside the region. Environmental groups are strongly opposed to any action that would encourage use of diesel and gas engines and small gas turbines for any period due to the environmental (air quality, noise, global warming) impacts of their operation. Bonneville is taking public comment on the proposed policy.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Sends Warning on Southern California Edison (SCE) Contract:

Bonneville sent a letter to SCE this week notifying the utility that Bonneville will suspend energy deliveries under its Sale and Exchange Agreement unless the utility fulfills its past due obligations under the contract. Over the past nine months, SCE has not provided energy owed to Bonneville as part of SCE's obligations under the Agreement.

Bonneville is concerned that, unless SCE guarantees that it will meet its contractual obligations to Bonneville, SCE may continue the same pattern of conduct, and, given expected high wholesale market prices and extremely low water conditions, cause even greater injury to Bonneville.

Bonneville is willing to continue providing power/capacity under the contract if SCE's performance under the exchange and option capacity is guaranteed. The agency wishes to continue working closely with SCE and the California Department of Water Resources to provide what assistance it can as long as it does not harm the Northwest's ability to meet its own loads or worsen the effects of the drought on endangered or threatened fish.

SCE has filed a petition in the Ninth Circuit Court contesting Bonneville's right to convert the contract to exchange mode last summer, alleging that Bonneville's actions have resulted in \$65 million in damages to SCE.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

California Independent System Operator (CAISO) Retracts Findings About Bonneville:

The president of CAISO last week sent a letter to Bonneville saying that the data supports Bonneville's claims that it did not seek to manipulate the California market to secure higher profits. Bonneville presented information to CASIO to refute a recent CAISO filing with the Federal Energy Regulatory Commission that said Bonneville was among those power marketers that reaped excessive profits from the

California energy crisis. The CAISO conceded that flaws in the design of California's restructured electricity market were partly responsible for many of Bonneville's higher priced sales to California. Some sales were based on offers made by CAISO staff that simply equaled the prevailing market price.

The CAISO's reconsideration of the facts reduces any conceivable disputable Bonneville sales to less than 20 percent of their original estimate. Bonneville considers this to be within the margin of error of the CAISO analysis and believes that this issue is essentially closed.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Wind Energy Proposals Evaluated: Preliminary evaluations were completed this week on proposals submitted under Bonneville's February solicitation for up to 1,000 MW of wind energy. Within the next two weeks, Bonneville will announce a short list of bidders. Negotiations with those bidders are expected to conclude with contract awards late this summer.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Energy Efficiency Measures Pursued at Hydroelectric Projects: Bonneville, the U.S. Army Corps of Engineers, and the Bureau of Reclamation have launched a joint effort to install energy efficient lighting and other conservation measures at the 31 hydroelectric dams that make up the Federal Columbia River Power System. The measures could save enough energy to meet the annual electrical demands of as many as 2,400 households. Additional conservation actions at 130 state and federal fish hatcheries, many adjacent to the dams, are also being explored.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Nuclear Plant Begins Refueling Outage: The Columbia Generating Station nuclear plant was taken off-line for a refueling outage at midnight on May 18. The plant supplies about 10 percent of Bonneville's total power supply. Energy Northwest, which owns and operates the plant, is trying for a record 29-day, 22-hour outage and is scheduled to return the plant to service on June 17. Bonneville has arranged for power supplies to replace the 1,150-MW plant while it is off-line.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Press Coverage on Tribal Issue: Local television and print, as well as the Associated Press, have picked up this week on a misunderstanding between the Acting Administrator and the Yakama nations. The tribe had asked if Bonneville would pay the tribe to seek help for the drought-plagued Northwest region by conducting a ceremony to pray for rain. The Acting Administrator asked the tribe to submit a formal proposal as part of a drought mitigation assistance package. The tribe conducted the ceremony without submitting a formal proposal or being awarded a federal contract, and then requested payment.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 1, 2001

I. Schedule

June 12: Acting Administrator Steve Wright and Chief Operating Officer Steve Hickok will attend a stakeholders meeting in Olympia, Washington, hosted by Washington Governor Gary Locke, to address the West Coast energy crisis and related Bonneville Power Administration (Bonneville) issues. Acting General Counsel Randy Roach will be Acting.

June 15: The Acting Administrator will speak at the Washington Rural Electric Coop Association annual meeting in Moses Lake, Washington. Steve Hickok will be Acting.

June 18-19: The Acting Administrator will be in Washington, DC, to meet with the Pacific Northwest congressional delegation and members of the Administration. Steve Hickok will be Acting.

June 22: The Acting Administrator will speak at the Idaho Association of Commerce and Industry in Sun Valley, Idaho. Steve Hickok will be Acting.

II. Key Departmental News

Draft Record of Decision (ROD) on Wholesale Power Rates Issued:

Bonneville issued its Draft Supplemental ROD on the modification to the 2002-2006 power rate case Friday, May 25. The ROD does not identify an actual rate, but rather describes a list of draft decisions on rate case issues. Among the most important is the decision to reject the Direct Service Industrial customers' tiered rates proposal and a recommendation to accept the customers' proposed partial settlement. The partial settlement allows Bonneville to raise rates to reflect the high price of power on the wholesale market and to adjust rates every six months to reflect Bonneville's actual power costs. The Acting Administrator will make a final decision on the Supplemental Wholesale Power Rate case after the parties to the case comment on this draft decision. The actual rate will be determined in June after customer load reduction negotiations are complete.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Technical Workshop on Rate Mitigation Strategy to be held on June 6:

Bonneville staff will make a preliminary calculation of the expected Fiscal Year 2002-2006 power rate increase at a technical workshop with rate case parties on June 6. The expected rate increase will depend on customers' load-reduction commitments and the state of the wholesale power market. The final rate will be determined late in June after the customers have completed their load reduction

negotiations with Bonneville.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Public Utilities Agree to Load Reductions in Next Rate Period: Clark Public Utilities became the first large public utility to respond to Bonneville's load reduction request last week, agreeing to reduce its load on Bonneville by 10 percent (29.5 average megawatts (aMW)) for a year starting October 1. Bonneville will buy back the 29.5 aMW at a price roughly equivalent to its current preference rate to Clark. This week, Franklin County Public Utility District (PUD) and Pend Oreille PUD followed suit, pledging 9.5 aMW and 4 aMW, respectively. Several other public utility load reduction agreements are nearing completion.

Bonneville's goal is to find another 570 aMW of load reduction from its other 128 public utility customers. With the load reduction pledges so far from public utilities and an investor-owned utility (see following story), as well as an additional aluminum company curtailment in the past week, Bonneville has now achieved 55 percent of its target load reduction to reduce the size of the rate increase October 1.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Investor-Owned Utility Agrees to Reduce Loads: Late last week, Bonneville and PacifiCorp jointly announced that the investor-owned utility would reduce its load on Bonneville in the next rate period (fiscal year 2002 through 2006) by 251 aMW a year. Instead, Bonneville will make a cash payment to PacifiCorp that will maintain benefits to the company's residential and small farm customers. In keeping with Bonneville's call for a 10 percent reduction in demand on Bonneville, PacifiCorp will reduce its first-year cash benefits equivalent to Bonneville's offerings to other utilities willing to reduce loads. PacifiCorp's residential and small-farm customers will receive a significant increase in benefits from the Bonneville system compared to the last five years.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Spill Added at Two More Dams: Bonneville began spilling a small amount of water at John Day and McNary Dams over Memorial Day weekend. This is in addition to the spill that has been provided at Bonneville and The Dalles Dam for the past two weeks. According to the National Marine Fisheries Service, juvenile salmon migration is at its peak right now, and biological assessments indicate there are a number of fish in the John Day and McNary areas. Water spilled over spillways does not go through turbines at the dams and therefore does not generate electricity. Bonneville will re-evaluate spill at all projects and meet with regional executives to decide next steps on Friday (June 1.)

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Spill Meets Reliability Standards: Bonneville continues to manage to short-term and long-term reliability standards during this near-record low water year. The Northwest Power Planning Council late last week released an updated regional reliability analysis saying that Northwest loads are down about 10 percent for this year, compared to last year and corrected for weather. About half of that comes from aluminum company and other industry shutdowns; the rest from other demand reduction, curtailment and conservation. Bonneville also has proposed an arrangement with Grant County Public Utility District to provide backup energy if needed this summer pending Federal Energy Regulatory Commission approval of Grant's own spill agreements.

Bonneville sold and exchanged surplus power over the Memorial Day weekend. The surplus was due to increased flows in the mid-Columbia provided to keep water levels higher for fish. Bonneville did not spill that increased flow because it was not clear that doing so would meet its reliability criteria.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report

V. Press Inquiries

Press Release Misstates the Facts: The Columbia InterTribal Fish Commission late last week issued a press release claiming that Bonneville is selling power to California while fish die in the Columbia, and "...evidence is piling up that Bonneville's self-declared emergency and reliability threat are not only dissipating but may have disappeared entirely." In fact, Bonneville helps California only in ways that do not hurt Northwest reliability or fish. The streamflow forecast still stands at about 57 million-acre-feet—second worst of record for the Columbia River Basin. And the latest long-term forecast from the National Weather Service suggests weather hotter and drier than average through August.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 8, 2001

I. Schedule

June 12: Acting Administrator Steve Wright and other heads of public and private utilities will attend a small meeting in Olympia, Washington, hosted by Washington Governor Gary Locke, to discuss Washington State's efforts to reduce electricity load and deal with possible power outages. Acting General Counsel Randy Roach will be acting.

June 14: The Acting Administrator will join Portland General Electric Chief Executive Officer Peggy Fowler at a media event in Portland, Oregon, to distribute compact fluorescent light bulbs.

June 14: The Acting Administrator will speak at the Washington Rural Electric Coop Association annual meeting in Moses Lake, Washington. Steve Hickok will be acting.

June 18-19: The Acting Administrator will be in Washington, DC, to meet with the Pacific Northwest congressional delegation and members of the Administration. Steve Hickok will be acting.

June 22: The Acting Administrator will speak at annual conferences of the Idaho Association of Commerce and Industry in Sun Valley, Idaho. Steve Hickok will be acting.

II. Key Departmental News

Administrator Calls for Further Load Reductions: At a June 6 rates workshop, Bonneville Power Administration (Bonneville) announced that its wholesale power rate increase on October 1, 2001, would be more than 150 percent in the first year, given the current status of load reduction negotiations. With about 1,200 megawatts (MW) of load reductions pledged by Bonneville's public utility, investor-owned utility, and direct-service industrial customers, the Pacific Northwest has reached the halfway point in its effort to hold Bonneville's rate increase below 100 percent. The Acting Administrator called on customers that have not yet taken action, saying that achieving the goal of another 1,200 MW of reductions would bring the rate hike below 75 percent. Bonneville customers have until June 22 to make commitments to reduce their purchases from Bonneville. At that time, Bonneville must finalize the rate so that it can be submitted to the Federal Energy Regulatory Commission for approval.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Northwest Governors Express Support for Bonneville Load Reductions. The Governors of Idaho, Oregon, Washington, and Montana have written a joint letter to the Acting Administrator in support of Bonneville's load reduction efforts. The Governors acknowledged that the region will have to make sacrifices, but that a significant Bonneville rate increase will do much greater damage to the Northwest economy. They called for all customers to do their part, saying, "this is an all-or-nothing commitment and the only way for it to succeed is if all utilities pledge a comparable reduction."

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Outlines Principles for Assisting California this Summer: The Acting Administrator sent a letter to the chiefs of the California Department of Water Resources (CDWR) and the California Independent System Operator (ISO) this week outlining joint principles for how the Northwest and California will support each other this summer. Bonneville is prepared to help California if it can do so without compromising Northwest electric reliability.

The principles, which were developed through several weeks of discussion with the California parties, say that all power transactions must benefit both California and the Pacific Northwest. Transactions also must not transfer reliability problems from one region to the other. In addition, if energy provided by one region requires operations outside environmental protection restrictions, compensation must be provided for environmental remediation. Bonneville expects to continue negotiations with CDWR and the California ISO to develop a winter contingency plan with California, when California typically has a surplus and the Northwest experiences its peak power needs.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Spill for Fish to Continue: Bonneville and other federal, state, and tribal agencies decided late last week to continue current levels of limited spill operations at Bonneville, The Dalles, John Day and McNary Dams. The agencies will continue to monitor the situation and have not set a date for how long spill will continue.

Due to the combined effects of the second worst drought year on record and an ongoing power emergency, the hydro system has only been able to provide a portion of the spill called for in the National Marine Fisheries Service's Biological Opinion in a normal water year. Spill was expanded to include small amounts at John Day and McNary Dams after the Northwest Power Planning Council announced that the region's emergency power measures have led to substantial load reductions this summer. Bonneville is targeting spill operations to provide maximum benefit to the most species while maintaining power system reliability.

Media Interest: Some.
Program Contact: Jeff Stier, 202-586-5640.

Bonneville Curtails Transmission Path. The loss of direct-service industry load in Montana and the growth of load served by Avista lines parallel to the Bonneville lines have overloaded the West of Hatwai transmission path, resulting in the forced outage of certain lines. To protect overall system reliability, Bonneville has curtailed capacity on the transmission path. (West of Hatwai is a cutplane--or collection of transmission lines--on which the amount of power that can be carried may be constrained, or limited, under certain operating conditions.) Bonneville is working with affected transmission customers and the owners of the Colstrip generation plant to resolve the capacity problems on the West of Hatwai cutplane. Until that process is completed, Bonneville must continue the curtailment.

Media Interest: Some.
Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Bonneville Technology Recognized: The Department recognized Bonneville and four other organizations with its Energy 100 Award for the wide-area measurement system (WAMS). The WAMS enhances power system reliability by giving utility operators early warnings of potential problems on the system. The WAMS uses the latest global positioning satellite technology to continually measure, collect data and rapidly analyze operation of the 30,000 miles of high voltage lines in the Northwest.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

VIII. Climate Change
Nothing to report.

IX. Disaster Assistance
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 15, 2001

I. Schedule

June 18-19: The Acting Administrator will be in Washington, DC, to meet with the Pacific Northwest congressional delegation and members of the Administration. Steve Hickok will be Acting.

June 22: The Acting Administrator will speak at annual conferences of the Idaho Association of Commerce and Industry in Sun Valley, Idaho. Steve Hickok will be Acting.

II. Key Departmental News

Federal Agencies Propose Summer Spill Options: At this time, it is unclear whether any summer spill can be provided for fish. While projections of regional power demand have lowered, based in part on efforts to reduce load, the water supply situation has recently deteriorated. Although, it is possible that conditions will improve this summer. Federal agencies, including Bonneville Power Administration (Bonneville), are assessing the potential for summer spill if reliability/financial criteria are met. Public discussions will begin at the June 15 meeting with Northwest states and tribes, and will also include a discussion of alternative actions which might be feasible to implement in lieu of summer spill in order to provide similar biological benefits. The Federal agencies would like to make preliminary decisions about summer spill by June 29.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Decision on Load Reduction Issues Due: The Acting Administrator expects to sign a Record of Decision (ROD) regarding the strategy for utility customer load reductions and utility customer exports of unplanned resources. The ROD provides a basis for addressing issues that arise from Bonneville customers adding unplanned resources in order to meet loads that they are taking off Bonneville in the current load reduction effort.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Issues Policy to Help Utilities Add Small Generators Near-Term:

Bonneville expects to issue a draft ROD on the temporary small resource policy. The policy would facilitate Northwest utilities bringing small resources online in the next 16 months to help increase generating capacity during the current power crisis. Because of the environmental concerns regarding diesel generation, it was deemed necessary to have a public process and publish a ROD.

Media Interest: Some.
Program Contact: Jeff Stier, 202-586-5640.

Rate Case ROD Due Next Week: The final Supplemental ROD on the 2002-2006 power rates case is scheduled to be issued next week, June 20.

Media Interest: Some.
Program Contact: Jeff Stier, 202-586-5640.

Firm's Purchase of Transmission Capacity Questioned: Morgan Stanley, a Wall Street financial services firm, has purchased significant portions of the south to north transfer capability of the AC Intertie through February 2003. In a recent letter to the Administrator, Oregon Rep. Peter DeFazio raised concerns that the purchase may constitute "hoarding" transmission capacity and may allow the company to affect the cost of wholesale power. The company's purchases from Bonneville followed standard practice under Bonneville's tariff. Recognizing the significance of this issue, Bonneville is establishing a market monitoring function to watch for any unusual activity.

Media Interest: Yes.
Program Contact: Jeff Stier, 202-586-5640.

Inspector General Issues Draft Report on Bonneville's Fiber Optics

Program: Bonneville has received the draft report from the Richland Office of the Inspector General on the Power Marketing Administrations' installation of fiber optic cable. The draft report states that Bonneville is installing fiber optic cable in excess of operational needs, and that the agency's rationale for doing so is "questionable." Bonneville has until June 26 to provide comments on the draft. Bonneville's fiber optics installations are designed to meet expanding communication capacity demands, achieve high safety and reliability of the transmission system, and offer critical future flexibility, expansion and reliability options.

Media Interest: Yes.
Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 22, 2001

I. Schedule

June 29: Acting Administrator Steve Wright plans to announce the Fiscal Year 2002 wholesale power rate.

June 29: The Acting Administrator will meet with the executives of the Federal agencies involved in fish and hydropower operations and could decide on summer spill measures for salmon.

II. Key Departmental News

Acting Administrator Signs Record of Decision (ROD) on Wholesale Power Rates: The Acting Administrator signed the final Supplemental ROD on Bonneville Power Administration (Bonneville) modification to the 2002-2006 power rate case. The ROD outlines the Administrator's decisions on rate case issues. Among them are a decision to reject the direct-service industrial (DSI) customers' tiered rates proposal and a decision to accept the customers' proposed partial settlement for six-month rate adjustments.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Investor-Owned Utility Joins in Load Reduction Efforts: Puget Sound Energy (PSE) late last week agreed to reduce the amount of power it plans to buy from Bonneville by 368 average megawatts a year for 5 years. PSE's agreement to forego its purchase of federal power is expected to help Bonneville significantly reduce a general rate increase planned for October. PSE will exchange the power for monetary benefits, which will be passed through to its residential and small farm customers, resulting in rate decreases for those customers. The Washington Utilities and Transportation Commission approved the agreement.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Nuclear Plant Refueling Outage Complete: The Columbia Generating Station is expected to complete its refueling outage this week. The outage was expected to last 30 days, but it is behind schedule. The plant should be fully back on-line by June 23.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Rate to be Announced Next Week: On Friday, June 29, Bonneville is scheduled to announce the power rates that will be effective October 1, 2001. A press briefing is being planned. Under the Supplemental ROD, Bonneville decided to raise power rates beginning October 1, 2001, to reflect the high price of power on the wholesale market. Bonneville would adjust rates every six months to reflect its actual power costs. The rate announced next week will depend on the amount of load reductions that Bonneville and its customers have negotiated and the projected market price for power for the period of October 1, 2001, through March 30, 2002.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Story Recognizes Bonneville's Role in Identifying National Energy Trends:

The July issue of *WIRED* magazine has a lengthy article on "The Energy Web," crediting Bonneville for the phrase. The article is primarily from the perspective of the Electric Power Research Institute, which has been doing some work on the concept. The Energy Web concept posits that the electricity industry is transforming from a model where power flows from central plants down to end-users to a web, where many users are also power producers.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Freedom of Information Act (FOIA) Requests from Industry Organization:

Bonneville recently received two FOIA requests from John Arthur Wilson, Executive Director, Northwest Power Alliance, seeking information related to Bonneville's load reduction efforts and, more specifically, its efforts to curtail or buydown load from the DSIs in the rate period beginning October 1, 2001. Bonneville has requested a 10-day extension on the original June 22 deadline for providing the requested materials. Northwest Power Alliance is an organization of industries and business, primarily aluminum companies, whose stated mission is to advocate to Bonneville for "Northwest power needs."

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VII. Grants, Economic Announcements and Publications

Draft Environmental Impact Statement (DEIS) Released: Bonneville's Fish and Wildlife Implementation Plan DEIS was released June 14, 2001, for public comment. The DEIS analyzes the environmental impacts that may result from Bonneville's policy decisions guiding its fish and wildlife activities. It will enable Bonneville to implement actions in the Biological Opinion in a timely manner, as well as other actions now and in the future to aid fish and wildlife. A final EIS, including a preferred alternative, will be issued in the fall.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 29, 2001

I. Schedule

July 14: Acting Administrator Steve Wright will join Washington Governor Gary Locke at a public event promoting conservation as part of a Seattle Mariners baseball game in Seattle, Washington.

II. Key Departmental News

Power Rates Announced: Bonneville Power Administration (Bonneville) announced today (June 29) a 46 percent power rate increase for the six months beginning October 1, 2001. At a press conference earlier today, the Acting Administrator commended Bonneville's customers and the region as a whole for pulling together to reduce loads on Bonneville, minimizing a rate increase that could have had dire consequences for the Northwest economy. Bonneville customers pledged approximately 2,200 megawatts of load reductions, significantly reducing Bonneville's need to purchase power from the high-priced wholesale electricity market. Under the Supplemental Record of Decision that was signed this week, Bonneville will adjust rates every six months to reflect its actual power costs.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Fiscal Year (FY) 2002-2006 Supplemental Wholesale Power Rates Submitted to Federal Energy Regulatory Commission (FERC): This week Bonneville submitted its FY 2002-2006 supplemental rates proposal to FERC. The Acting Administrator signed the final Record of Decision on the rates June 20. Bonneville filed with FERC in time to allow 90 days for review and interim approval by October 1, 2001, when the agency's current power rates expire.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Federal Agencies to Evaluate Summer Spill Options. The executives from the Federal action agencies met Friday (June 29) with States and tribes to review options for summer spill on the Federal Columbia River Power System. Bonneville's Senior Vice President for Power Operations, Paul Norman, represented Bonneville at the meeting, where plans were to make some preliminary decisions about summer spill. The Federal agencies have proposed options for summer spill in light of the Northwest drought for stakeholder consideration. On Wednesday, the Northwest Power Planning Council told the Acting Administrator that further spill should be initiated only if it does not decrease regional reliability below forecasted levels. Based on a new, lower,

water supply forecast, it is very unlikely any summer spill will be initiated in early July.

Spill is water that goes over a spillway at a dam rather than through turbines. It is intended to provide a means for juvenile salmon migrating to the ocean to avoid hydro turbines at the dams. Spill is an integral part of operations called for in the Biological Opinion.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Another Aluminum Company Curtails Operations: Bonneville signed an agreement with Golden Northwest Aluminum, Inc. this week to delay restart of Bonneville power deliveries to the company's smelters in The Dalles, Oregon, and Goldendale, Washington, for an additional six months. The curtailment agreement covers the full 236 megawatts of power Golden Northwest otherwise would have received from Bonneville from October 1, 2001, through March 31, 2002. Golden Northwest has agreed to provide wages and benefits sufficient to cover employees who would have worked had the company used Bonneville power to operate. Under the pact, Bonneville will also support development of a wind energy project by an affiliate of Golden Northwest.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Policy for New Large Single Loads (NLSL) Considered: This week (June 25), as published in the *Federal Register*, Bonneville opened a public comment period on the application of its NLSL policy. The comment period extends through July 27 and a Record of Decision is expected in September. The policy outlines the provisions for public customers to place NLSL on Bonneville.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Significant Press Interest in Rates Announcement This Week: Bonneville's press office fielded a huge number of calls from press this week asking about the amount of the rate increase beginning October 1, 2001. Press are also interested in the amount of load reductions achieved and the names of customers who have

agreed to reduce loads in order to mitigate the size of the rate increase.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

July 6, 2001

I. Schedule

July 14: Acting Administrator Steve Wright will join Washington Governor Gary Locke at a public event promoting conservation as part of a Seattle Mariners baseball game in Seattle, Washington.

July 27: The Acting Administrator will speak at the Portland City Club. His talk is entitled, "The Electricity Crisis: Where Do We Go From Here?"

II. Key Departmental News

July Runoff Forecast Drops Again: The latest forecast of Columbia River runoff for January-July is 2.0 million acre feet (MAF) lower than the forecast two weeks ago. At 53.9 MAF, the final forecast that the Northwest River Forecast Center will generate this year, is a mere 0.1 MAF short of the all-time record low of 53.8 MAF set in 1977.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Reduced Power System Reliability Leads to Decision on Spill: Last Friday, Bonneville Power Administration (Bonneville), in consultation with other Federal agencies, decided it could not provide summer spill for migrating salmon. Power system reliability has been reduced to an unacceptably low level because the forecast for Columbia River runoff is a near-record low and the Columbia Generating Station nuclear plant is coming back online later than scheduled.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Fish Interests Criticize Spill Decision: Fish advocates were quick to criticize Bonneville's decision on summer spill. In a press release issued immediately after the decision, the Northwest Energy Coalition said Bonneville failed to use available financial alternatives to halting salmon-saving dam operations. Bonneville is purchasing power now to preserve reliability next winter and refill reservoirs. The most recent analysis by the Northwest Power Planning Council shows about a 12 percent probability of power deficits next winter if additional water is stored at Grand Coulee and other Columbia Basin reservoirs.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Nuclear Plant Back Online This Week: The Columbia Generating Station synchronized to the Bonneville transmission grid Monday, July 2, ending an

outage that lasted 44 days, 11 hours and 29 minutes. Originally scheduled to be complete in 29 days, 22 hours, the scheduled refueling outage was delayed due to needed repairs. Completing the repairs now will improve the likelihood that the plant can now run for the expected 24-month cycle. The plant was scheduled to reach 100 percent power operation July 6.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Policy Supports Temporary Small Generators During Power Crisis:

Bonneville announced last week that it will change its policy to allow customers to temporarily add small generating resources without permanently reducing their call on power from Bonneville. The policy applies to resources that produce 1-25 megawatts, and is in effect through September 2002. All resources must comply with all applicable state and local operations. The diesel units are likely to be short-term solutions. At \$150 or more per megawatt hour, they will be priced out of the market as lower-priced new generation comes on line.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

General Accounting Office (GAO) Plans Audit of Fish Recovery Efforts:

Bonneville received notice late last week that the GAO is conducting an audit of federal efforts to recover salmon and steelhead in the Columbia River Basin. The audit will review the National Marine Fisheries Service's oversight and leadership role in the recovery effort, look at how and who has spent the money and what has been accomplished. While Bonneville is not the focus of the audit, GAO will seek information from Bonneville on its fish recovery expenditures. GAO plans to schedule an entrance conference in early August.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Inspector General (IG) to Audit Information Systems: The IG will perform a formal audit of Bonneville's mission critical, financial and business information systems and technology platform beginning July 16, 2001. The Bonneville audit is part of the IG's review of the Department's unclassified information systems, as required by the Government Information Security Reform Act of 2001. A final report is due to Office of Management and Budget by September 15.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

GAO Audit Seeks Bonneville Market Data: The California Power Exchange (PX) has sent notice to Bonneville and all other PX market participants that GAO is seeking confidential bid data from the PX for the period beginning April 1998. The data are part of GAO's investigation into "issues surrounding the possible existence and use of market power in California's electricity industry," requested by several members of Congress in the last session. GAO has asked for the data

by July 6, and has agreed to certain terms to preserve confidentiality.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Federal Energy Regulatory Commission (FERC) Settlement Conference:

Bonneville representatives are attending the FERC settlement conference in Washington, DC, at the request of Administrative Law Judge Curtis Wagner. FERC's June 19 order called for the settlement conference beginning June 25 for all public utility sellers and buyers in the California energy markets. In FERC's clarifying order dated Friday, June 22, FERC stated the conference may focus on settling past accounts related to sales in the Pacific Northwest.

Media Interest: Yes

Program Contact: Jeff Stier, 202-586-5640.

National Energy Policy Legislation: The House Energy and Commerce Committee and the House Resources Committee are expected to introduce national energy policy legislation next week that may have implications for Bonneville. More significant implications would be contained in electricity restructuring legislation that House Republican Whip Tom DeLay is apparently drafting. DeLay's draft legislation does not include a Northwest title, but it would seek to extend FERC jurisdiction over the transmission facilities of government utilities including Bonneville.

Media Interest: Yes

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Renewables Conference to be Held in Portland: Bonneville will be a local sponsor of a National Green Power Marketing Conference to be held in Portland, Oregon, July 30 - August 1. Primary sponsors include the Electric Power Research Institute, U.S. Department of Energy, U.S. Environmental Protection Agency, and the Edison Electric Institute.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Rate Increase Announcement Garners Positive Press: Virtually every major daily in the Northwest on June 30 headlined Bonneville's announcement that the October 1 rate increase has been held to 46 percent. News and editorial coverage was overwhelmingly positive. The three press conferences held June 29 in Pasco

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

July 13, 2001

I. Schedule

July 14: Acting Administrator Steve Wright will join Washington Governor Gary Locke at a public event promoting conservation as part of a Seattle Mariners baseball game in Seattle, Washington.

July 18: The Acting Administrator will join Idaho Governor Dirk Kempthorne at a press conference announcing projects Bonneville Power Administration (Bonneville) will fund in Idaho this year to offset the harm to endangered fish as a result of this year's emergency power operations.

July 27: The Acting Administrator will speak at the Portland City Club. His talk is entitled, "The Electricity Crisis: Where Do We Go From Here?"

July 26: The Acting Administrator will participate on a panel addressing the status of energy supply and demand at the annual meeting of the Council of State Governments West, in Vancouver, B.C.

II. Key Departmental News

Projects Will Aid Fish Harmed by This Year's Power Operations: Bonneville announced this week that it will fund approximately \$10 million worth of projects aimed at helping fish affected by this year's emergency power operations. Because of extreme low water and a tight wholesale market for electricity, Bonneville has been forced to run water through turbines to generate electricity that otherwise would have been passed through spillways to help juvenile fish traverse the dams. While the selected projects focus on short-term actions that can be taken this year to help specific fish runs, it is expected that some of the benefits will continue in the long term and may also help non-endangered species.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Airport Designated Status as Federal Power Customer: The Seattle International Airport, SeaTac, joined the fold of Bonneville preference customers last week, signing an 11-year contract for 15 megawatts (MW) of power, increasing to 18 MW in 2006. The airport sells electricity and owns its own transmission, so it qualifies as a municipal entity, with priority rights to federal power under existing statutes. SeaTac had been purchasing electricity on the open market to serve its airline customers.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Fish Interest Groups Encourage Letters Criticizing Bonneville: Two fish advocacy groups, Trout Unlimited and Save our Wild Salmon, have mounted letter-writing campaigns to newspaper editors and Congressman decrying Bonneville's decision against summer spill. The groups say Bonneville is balancing the books on the backs of fish while fishermen are looking for new jobs.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

New Generating Plants Due Online Soon: Two major new generating plants are scheduled to start up in the Northwest sometime this month. The combined cycle combustion turbines—a 484-MW plant outside of Klamath Falls, Oregon, and a 280-MW plant near the City of Rathdrum, Idaho—were underway well before the West Coast energy crisis began late last summer. An article in the Portland *Oregonian* last week said the startups “. . . signal the beginning of the end of the Northwest's electricity shortage.” Bonneville's Transmission Business Line (TBL) has sold firm transmission rights on the intertie to California to the Klamath Falls plant. At Rathdrum, TBL built a substation (funded by Avista and Cogentrix) and sold transmission rights to the power marketer, Avista Energy.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Joint Operating Entity (JOE) Due to Begin Selling Bonneville Product: Bonneville reached agreement last week with the Pacific Northwest Generating Cooperative (PNGC) on principles for the JOE purchase and resale of Bonneville's Slice power product. PNGC plans to purchase Slice on behalf of its public agency members as a JOE under legislation Congress passed last year. Now that the principles are done, Bonneville is targeting signing a contract with PNGC for 452 average MW of Slice and Block power by the end of August.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

July 20, 2001

I. Schedule

July 27: Acting Administrator Steve Wright will speak at the Portland City Club, Portland, Oregon. His talk is entitled, "The Electricity Crisis: Where Do We Go From Here?"

July 26: The Acting Administrator will participate on a panel addressing the status of energy supply and demand at the annual meeting of the Council of State Governments West, in Vancouver, B.C.

August 9 - 17: The Administrator will be on annual leave. Chief Operating Officer Steve Hickok will be acting.

II. Key Departmental News

Bonneville Files for Re-Hearing: Bonneville has requested a rehearing before the Federal Energy Regulatory Commission (FERC) on the July 19 order limiting wholesale prices in western markets. Bonneville believes that FERC's authority to impose its price mitigation on non-jurisdictional utilities is not legally sustainable. Bonneville does not object to the price mitigation plan in general as applied to jurisdictional utilities, except to the extent that it may not ensure that marginal generation will operate during periods of peak demand in the Pacific Northwest.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Capacity Rating Restored on Key Transmission Path: The Western Systems Coordinating Council (WSCC) has restored the capacity rating to 2,800 megawatts (MW) on the West of Hatwai cutplane across Western Montana and Eastern Washington. The restored capacity eases a major congestion point on Bonneville Power Administration (Bonneville) transmission grid and increases power supplies available to western portions of the region. In June, Bonneville reduced the capacity of the transmission path to 2,300 MW to maintain operation within WSCC reliability requirements. Increased ratings were attained through extensive operational studies, new operating procedures, and the use of remedial action schemes to reduce generation at power plants east of the path when outages occur. Bonneville's 5-year infrastructure plan includes construction of a 500-kilovolt line from Bell Substation to Grand Coulee Substation, which will relieve constraints across the West of Hatwai cutplane.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Curtailed Smelter Seeking Power to Start Up Again: Alcoa is seeking to buy power for its Intalco aluminum plant in Bellingham, Washington. In May, Bonneville signed an agreement to pay Intalco to reduce its loads on Bonneville by over 400 MW for up to 2 years. The agreement helped to reduce Bonneville's rate increase. With market power prices now down, aluminum smelters may be able to operate profitably by purchasing power on the wholesale market. Bonneville's load reduction agreements do not have any provision for suspending payment if its customers buy power from the market. Furthermore, Bonneville believes that its original objectives in negotiating the agreements would continue to be met if Alcoa buys power for the Intalco plant.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Increases Efforts to Remove Salmon Predators: Bonneville has increased the bounty for northern pikeminnow in an effort to remove another 10,000 to 20,000 of the juvenile salmon predators from the Columbia River this summer. The action is one of several Bonneville efforts to help endangered salmon survive in a year when some fish measures cannot be fully implemented because of power emergencies.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Public Comment Period Extended: In response to customer and constituent requests, Bonneville is extending the public comment period on its New Large Single Load (NLSL) policy. The new deadline is August 6. Stakeholder concerns center on possible service to Bonneville preference customers for what is now direct-service industrial (DSI) load. One of three issues now being considered on NLSL is whether DSIs should be able to move their loads to Bonneville preference customers at 9.9 MW per year without taking on NLSL status. The 1980 Northwest Power Act requires NLSL of 10 MW or more served by Bonneville preference customers to pay a rate that reflects the cost of acquiring resources to serve them. When new rates take effect on October 1, this new resource rate will be higher than Bonneville's priority-firm rate.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

World's Largest Wind Farm Ramps Up in Northwest: The 285 MW Stateline Wind Project began generating about 40 MW of power for the first time this week. Media are invited to the site next week for photo opportunities. Once the project is fully up and running—scheduled for the end of this year—Stateline will be the largest wind farm in the world. Pacific Power Marketing (PPM), a subsidiary of PacifiCorp, will market the power. Bonneville is negotiating with

PPM to purchase 90 MW of wind power from the Stateline project. Bonneville's purchase would phase in over two years, beginning in mid-October, when the on-site substation is scheduled to be complete.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Promotional Campaign to Net Conservation Savings: Bonneville will soon launch the Community Conservation Challenge to support its public utilities that have pledged to reduce their loads on Bonneville. The Challenge is an outreach campaign to persuade businesses and individuals in the Northwest to take immediate actions to reduce electrical use. Contests and other promotional activities will be held to generate participation. Rollout is planned for early August.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

July 27, 2001

I. Schedule

August 9-17: Acting Administrator Steve Wright will be on annual leave. Chief Operating Officer Steve Hickok will be acting.

II. Key Departmental News

Summer Spill Initiated: On July 24, the federal hydro operators (Bonneville Power Administration (Bonneville), the U.S. Army Corps of Engineers, and the U.S. Bureau of Reclamation) began providing a limited amount of spill for migrating juvenile salmon and steelhead. Based on recommendations from state and tribal agencies, the spill does not use water stored in reservoirs. Instead, Bonneville will purchase energy in the open market to make up for the generation lost when water is spilled over spillways rather than run through turbines. Bonneville does not believe the brief spill will appreciably affect its overall financial risk. It should have little or no effect on the winter power supply. The targeted spill will last up to two weeks depending on the availability of purchased power and market prices. If Bonneville is unable to purchase sufficient energy to implement the spill or market prices substantially spike, then spill will be curtailed.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Nuclear Plant Down for Maintenance Outage: The Columbia Generating Station shutdown July 26 to repair a recirculation pump seal. The seal has continued to deteriorate since the plant came back online July 2 after a 44-day refueling outage. The pump is scheduled to be repaired and back online August 4. Bonneville has prepurchased approximately 900 MW at a cost of about \$12 million to cover generation lost due to the outage as well as generation lost to spill (see above story). Additional power will be purchased on the spot market as needed during the outage.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Net Revenues Down in Third Quarter: Financial reports issued last week showed Bonneville ending the third quarter of Fiscal Year 2001 with net expenses of \$547 million. Due to high market prices for power and reduced hydropower production as a result of the drought, Bonneville incurred expenses of \$1.6 billion in short-term power purchases in the first nine months of the year. At the same time, reduced hydro production led to reduced revenues from discretionary

market-priced power sales. The good news is that Bonneville's controllable operations and maintenance costs were down \$3 million compared to the first nine months of last year.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Feds Release Plan to Recover Endangered Fish: States and tribes this week received an advance copy of the draft 2002-2006 Federal Columbia River Power System Implementation Plan. The draft Plan, prepared by Bonneville, the U.S. Army Corps of Engineers, and the Bureau of Reclamation, is the action agencies' guide for carrying out the provisions of the 2000 Biological Opinions on operation of the power system for endangered fish. It describes performance standards for measuring success and summarizes specific projects to accomplish goals in hydro, habitat, hatcheries, and harvest. It also lays the foundation for a rigorous research, monitoring and evaluation program for tracking results and resolving scientific uncertainties. The draft will be out for public review from August 1 until September 7.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

New Municipal Utility to Begin Operating with Bonneville Power: Last week, the Hermiston City Council voted unanimously to purchase PacifiCorp's distribution facilities to serve the 4,000 commercial and residential customers in the City of Hermiston. The city will begin serving those customers on October 1, 2001, under a new contract with Bonneville for 12 megawatts. Voters approved the switch from investor-owned PacifiCorp to the public utility Umatilla Electric in 1998. Later, the city decided to operate the utility as a municipal in order to ensure it could meet Bonneville's requirements as a new small public utility and be eligible for preference power.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Helicopter Crew Rescues Pilot: A Bonneville helicopter crew helped rescue a pilot whose private plane went down in the Columbia River Gorge last week. Bonneville was called in after private pilots circling over the area were unsuccessful in finding the crash site. The helicopter's rotors were able to blow aside the vegetation to expose the wreckage, while land vehicles negotiated the steep, rocky terrain to rescue the pilot, who was hospitalized with minor injuries.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Fiber-Optic Audit Listed as Sensitive: The Inspector General's draft report on the Power Marketing Administrations' installation of fiber-optic cable is included in the Department's listing of sensitive audits for June. Bonneville recently commented on a draft that asserted Bonneville is installing fiber-optic cable in excess of operational needs and that the agency's rationale for doing so is "questionable." The final report is expected in late August or September. Bonneville's fiber-optics installations are designed to meet expanding communication capacity demands, achieve high safety and reliability of the transmission system, and provide critical future flexibility, expansion and reliability options.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

August 3, 2001

I. Schedule

August 9-17: Acting Administrator Steve Wright will be on annual leave. Chief Operating Officer Steve Hickok will be acting.

II. Key Departmental News

Federal Energy Regulatory Commission (FERC) Holds Hearings on Northwest Refunds: Bonneville Power Administration (Bonneville) participated in a FERC pre-hearing conference this week to initiate proceedings on whether Northwest utilities should receive refunds for power purchased in the Pacific Northwest spot market. Bonneville has asserted to FERC that FERC lacks authority to impose price mitigation or refunds on instrumentalities of the United States, such as Bonneville. Refunds in the Northwest power market will be complicated by several factors, including Bonneville's recent buyouts under the load reduction effort, Direct Service Industry remarketing revenues, and the fact that the Northwest market does not rely on spot market (day ahead and hour ahead) activity, which FERC's orders were designed to address.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Policy for New Large Single Loads (NLSL) Considered: In response to customer and constituent requests, Bonneville has extended the deadline for public comment period on its proposed NLSL policy, last identified as August 6, to August 10. The policy outlines the conditions under which public customers could place NLSLs on Bonneville, an issue of particular concern with public utilities wanting to sell power to Bonneville's aluminum smelter customers.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Summer Spill Extended: Federal hydro operators (Bonneville, the U.S. Army Corps of Engineers, and the U.S. Bureau of Reclamation) this week, in consultation with state and tribal entities, decided to continue a limited amount of spill for summer migrating juvenile salmon and steelhead at least through next week. The spill was initiated July 24 and will be monitored for its affect on winter power supply and Bonneville's financial risk. Bonneville has been purchasing energy in the open market to make up for the generation lost when water is spilled over spillways rather than run through turbines.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Regional Transmission Organization (RTO) Informational Filing Dropped:

RTO West filing utilities, including the Bonneville, have dropped plans for an August informational filing with FERC. Instead, the filing utilities will focus on a comprehensive, Stage II filing, which they hope to complete in December as required by FERC. In April, FERC approved initial RTO West filings, with minor modifications.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Nuclear Plant On Schedule to be Operational After Maintenance Outage:

The Columbia Generating Station is on schedule to be back online August 4, after shutting down July 26 to repair a recirculation pump seal. Bonneville purchased energy to cover generation lost due to the outage.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Helps Public Utility Keep Rates Affordable: Flathead Electric Cooperative (FEC) has agreed to a deal with PacifiCorp and Bonneville that will help keep rates lower for the co-op's consumers. Bonneville arranged with PacifiCorp to get FEC a fixed price for its power purchase from PacifiCorp, which was scheduled to go to a market-indexed rate in October. In exchange, Bonneville will assume the credit risk of the contract. The deal also protects FEC's large industrial customer, Plum Creek Medium Density Fiberboard Plant, from rate increases. FEC's situation sparked battles in Montana over problems with state electricity deregulation.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Agencies, Tribes Start Process on Plan to Recover Endangered Fish: Federal action agencies met with state and tribal representatives this week to begin the process of carrying out the Draft 2002-2006 Federal Columbia River Power System (FCRPS) Implementation Plan. The Acting Administrator emphasized to those present that an effective plan to recover endangered fish under the 2000 Biological Opinion must have involvement and ownership by all stakeholders, not just the federal agencies. The states agreed to develop a proposal for how to move forward on project selection and implementation under the Plan.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

General Accounting Office (GAO) Initiates Fish Audit: GAO will be at Bonneville headquarters the week of August 6 for an entrance conference on its audit of Northwest salmon and steelhead recovery expenditures, requested by Senator Michael Crapo. Originally planned to focus on the National Marine

Fisheries Service, the audit scope has been changed to include all Federal agencies in Oregon, Washington, Idaho, and Montana with responsibility for salmon and steelhead recovery. GAO is looking for data covering at least five years of expenditures and what was accomplished. No date has been set for the draft or final report.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Fiber Audit to be Revised: The Inspector General is rewriting its report on the power marketing administrations' use of fiber optic cable to reflect Bonneville's comments. Another exit conference is set for August 21. No date has been announced for release of the final report. In June, the Department identified this audit on its list of sensitive audits.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Fundraiser Features Northwest Salmon Recovery Efforts: The Columbia River Intertribal Fish Commission will sponsor "Jammin' for Salmon," August 4-5, in Portland, Oregon. The purpose of the event is to help broaden understanding salmon's spiritual and cultural significance, and of the region's salmon restoration efforts and needs. Officials directly involved in salmon recovery efforts, including the Acting Administrator, will participate in the event. Funds from the event will go to help fund tribal salmon recovery in the Pacific Northwest.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

August 8, 2001

I. Schedule

August 9-17: Acting Administrator Steve Wright will be on annual leave. Chief Operating Officer Steve Hickok will be acting.

August 13: Steve Hickok will testify at the Senate Energy Subcommittee on Water and Power field hearing in Seattle on Northwest electricity issues.

II. Key Departmental News

Federal Agencies Increase Spill: Improved January-July streamflow is allowing Bonneville to increase the limited summer spill that began on July 24. The agency will increase the combined amount of spill at Bonneville and The Dalles dams by about 250 MW per day beginning August 9 to benefit migrating juvenile salmon. Bonneville believes the additional spill for fish is prudent because the observed January-July runoff is 58.2 million acre-feet (MAF), 3.5 MAF more than the July final forecast, and because of increased storage water resulting from power purchases earlier this summer. The federal power system remains in emergency status because of continuing reliability uncertainties resulting from the drought. However, the picture has improved somewhat because the observed runoff is better than forecasted and because of additional flexibility provided by increased storage.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Businesses Purchase Green Tags to Support Renewables: Bonneville Power Administration (Bonneville) last week sold green tags to the Bonneville Environmental Foundation (BEF). The BEF in turn will sell the tags to businesses that use them as an investment in renewable resources, helping to meet the business' environmental goals. A green tag represents the environmental attributes associated with one megawatt hour of generation from new renewable resources such as wind or solar. Revenues from the sale of green tags help offset the cost of renewable energy.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

General Accounting Office (GAO) Investigating Bonneville's California

Marketing: GAO will be at Bonneville August 21-22 to gather more information for its audit of the restructured electricity markets in California and the role Bonneville played in the events of recent years. Bonneville is expected to provide detailed briefings regarding its process of marketing energy to California. GAO

plans to analyze the data over the next two months and discuss the results with the members of Congress who requested the analysis.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville to Integrate New Northwest Generation to Transmission Grid:

The Acting Administrator has signed a Record of Decision approving integration of a new combined-cycle combustion turbine into Bonneville's transmission grid.

Enron will build the 290-megawatt (MW) project in an industrial area near Longview, Washington. Power from the project will be delivered to Bonneville's Longview Substation over a new 4-mile, 230-kilovolt line, most of which will be built on existing Bonneville right-of-way. Enron plans to sell power from the project into the wholesale power market.

Media Interest Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Decision to Implement Biological Opinion (BiOp) Documented: Within the next week, the Acting Administrator plans to sign a Record of Decision setting down Bonneville's commitment to implement the National Marine Fisheries Service 2000 BiOp. A draft Environmental Impact Statement assessing the impacts of Bonneville's one- and five-year plans to implement the BiOp is out for public review and comment.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Possible Financial Based Cost Recovery Adjustment Clause (CRAC): As part of Bonneville's approach to managing financial risks, there are three types of cost recovery adjustment clauses which the agency may temporarily implement—"load based," "financial based, and "safety net based." Recently, Bonneville announced, in conjunction with load reduction efforts, a load based CRAC of 46 percent beginning on October 1, 2001. There has always been some possibility that the financial based CRAC might trigger in 2002 due to unanticipated financial conditions. This continues to be the case. Based on Bonneville's Third Quarter Financial Review, the Administrator will decide by August 31 whether to trigger the financial based CRAC. Depending on whether the CRAC is announced and the level of adjustment, the decision may be controversial due to the decision to increase spill to benefit migrating salmon.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Community Conservation Challenge: Bonneville is sponsoring an initiative to encourage conservation called the Community Conservation Challenge. The challenge will help support Bonneville's public utilities who have agreed to

reduce their demand during the next wholesale power rate period. The first component of the challenge is a "Conservation Pledge" for regional consumers. Consumers who pledge to conserve energy will be entered into a contest to win a new energy-efficient hybrid car. Bonneville will publicize the pledge through newspaper inserts and radio advertising beginning August 30.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Report Recognizes Bonneville's Leadership in Renewables: Climate Solutions, an Olympia-based nonprofit organization dedicated to halting global climate change, is distributing 3,000 copies of a report titled "Rising to the Challenge: Northwest's Leadership on Clean Energy." The report recognizes Bonneville as a major purchaser of green power, developer of fuel cells, and an important advocate for development of green resources—particularly wind generation.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

August 17, 2001

I. Schedule

August 24: Acting Administrator Steve Wright will participate in an energy panel discussion at the Washington State Labor Council's annual convention in Wenatchee, Washington.

II. Key Departmental News

Financial Based Cost Recovery Adjustment Clause (FB CRAC): The Bonneville Power Administration (Bonneville) is reviewing its financial condition to determine if it will need to trigger a FB CRAC in October. Three CRACs were established in the wholesale power rates as part of Bonneville's overall approach to managing its financial risks. Each CRAC allows a temporary adjustment to the base rates. The Acting Administrator will decide by August 31 whether to trigger the FB CRAC and if so, by how much. Bonneville has notified its customers.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

California Refund Proceeding: Bonneville is participating in the Federal Energy Regulatory Commission's (FERC) proceeding on California refunds. The FERC Administrative Law Judge has established a procedural schedule from August 17 through November 5.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Community Conservation Challenge: Bonneville is sponsoring an initiative to encourage conservation called the Community Conservation Challenge. The challenge will help support Bonneville's public utilities who have agreed to reduce their demand during the next wholesale power rate period. The first component of the challenge is a "Conservation Pledge" for regional consumers. Consumers who pledge to conserve energy will be entered into a contest to win a new energy-efficient hybrid car. Bonneville will publicize the pledge through newspaper inserts and radio advertising beginning August 30.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

August 24, 2001

I. Schedule

August 28-29: Acting Administrator Steve Wright will travel to Washington, D.C., to meet with executives from the Administration. Chief Operating Officer Steve Hickok will be acting.

September 7: The Acting Administrator will meet with members of the Public Utility Commissions from Oregon, Washington, Idaho, and Montana in Portland, Oregon.

September 10-13: The Acting Administrator will travel to Washington, D.C., to meet with members of the Pacific Northwest congressional delegation. Steve Hickok will be acting.

II. Key Departmental News

Constituent, Tribal Satisfaction Remains High: Results from Bonneville Power Administration's (Bonneville) sixth annual survey of constituents and tribal governments showed overall satisfaction with Bonneville. Seventy nine percent of Bonneville's constituents and 71 percent of tribal representatives participating were satisfied or extremely satisfied with Bonneville. Both were slight decreases from the previous year. Results of the Transmission and Power Business Line customer satisfaction surveys are due in mid-September.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Wind Project Environmental Impact Statement (EIS) Signed. The Acting Administrator is expected to signed the final EIS on the Condon Wind Project soon. By late September, the Acting Administrator will issue a Record of Decision on whether to purchase the entire output from the 49.8 megawatt (MW) wind farm in Gilliam County, Oregon. The first phase of the project (24.6 MW) is expected to be online by December 2001; the remainder by June 2002.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Second Audit on Salmon Recovery Planned: The Office of Inspector General (IG), Richland Audit Group plans to start an audit of Bonneville's salmon recovery program the week of September 10, 2001. The objective of the audit is to determine if the program is achieving its goals. The IG has forwarded several specific questions to Bonneville and asked for an entrance conference during the

initial week. The General Accounting Office began an audit of Northwest salmon recovery accomplishments in June.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

IG to Issue Final Report on Bonneville's Fiber Optics Program: Within the next two weeks, the Richland Office of the IG will post on its Web site the final report on the Power Marketing Administrations' (PMA) installation of fiber optic cable. The audit has been included in the Department's listing of sensitive audits.

Bonneville concurs with the final report recommendation that the PMAs (Bonneville) "limit the acquisition of fiber optic cable to the size needed to satisfy its operational needs." However, Bonneville does not agree with many assertions contained in the body of the report including an assertion that Bonneville is installing fiber optic cable in excess of operational needs. Bonneville's fiber optic installations are designed to meet expanding communication capacity, achieve high safety and reliability of the transmission system, and offer critical future flexibility, expansion, and reliability options.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Community Conservation Challenge: Bonneville is sponsoring an initiative to encourage conservation called the Community Conservation Challenge. The challenge will help support Bonneville's public utilities that have agreed to reduce their demand during the next wholesale power rate period. The first component of the challenge is a "Conservation Pledge" for regional consumers. Consumers who pledge to conserve energy will be entered into a contest to win a new energy-efficient hybrid car. Bonneville will publicize the pledge through newspaper inserts and radio advertising beginning August 30.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

August 31, 2001

I. Schedule

September 7: Acting Administrator Steve Wright will meet with members of the Public Utility Commissions from Oregon, Washington, Idaho, and Montana.

September 10-13: The Acting Administrator will travel to Washington, D.C., to meet with members of the congressional delegation.

II. Key Departmental News

Financial-Based Cost Recovery Adjustment Clause (FB CRAC) will not trigger: Based on the results of the third quarter financial review announced August 31, Bonneville Power Administration (Bonneville) will not trigger the FB CRAC. The rate case allows a temporary one-year adjustment in the base rate if the Power Business Line's accumulated net revenues fall below a preset threshold at the end of the third quarter.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Inspector General releases report on Power Marketing Administrations' Installation of Fiber Optics: The report contains one recommendation that Bonneville limit its acquisition of fiber optic cable to the size needed to satisfy its operational needs. Bonneville concurs with that recommendation and believes that is how its fiber optics program is structured.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

New Large Single Load (NLSL) Policy Review: Bonneville expects to release its review of the NLSL policy the week of September 3. The policy will address whether direct-service industries can transfer loads to public power providers in increments of 9.9 average megawatts and whether "contracted for or committed to" loads can change utilities.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

September 7, 2001

I. Schedule

September 10-13: Acting Administrator Steve Wright will travel to Washington, D.C., to meet with members of the Administration and the Pacific Northwest congressional delegation.

September 24: The Acting Administrator will provide opening remarks at the conference, "Conservation or Crisis: a Northwest Choice," in Portland, OR. (See "Conference to Focus on Conservation Opportunities" in paragraph III below.)

II. Key Departmental News

Science Review Finds Salmon Recovery Documents Wanting: The Independent Scientific Advisory Board (ISAB) has released its scientific review of four important salmon recovery plans, including the National Marine Fisheries Service's 2000 Biological Opinion. The opinion of the ISAB is that the four documents collectively will not lead to salmon recovery. While the ISAB stated, "the scientific bases for these actions are generally sound," it also found that the plans lacked "clear institutional arrangements to carry the programs out." Bonneville Power Administration (Bonneville) and the other Federal agencies are currently working with State and tribal entities in a systematic effort to arrange program implementation.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Billing Dispute Regarding Industrial Customer: Bonneville's customer, Cowlitz County Public Utility District, is disputing charges resulting from unanticipated increases in load since March 2000. Cowlitz's paper mill customer, Longview Fibre, began selling 60 average megawatts (aMW) of its own generation on the open market. Longview Fibre then turned to the utility for 60 aMW of Bonneville power. Bonneville believes this represents an unauthorized increase under the existing contract and plans to send a final bill to Cowlitz by September 30. The discussion affects the new contract as well, which is set to begin October 1. The utility is asking to exclude another 45 aMW of the paper mill's generating resources and use Bonneville power to serve that load instead.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Report Due on Feasibility of Completing Nuclear Plant: Bonneville expects a final report next week on the feasibility of completing the WNP-1 nuclear plant. The draft, which Bonneville and Energy Northwest are reviewing, estimates the

cost to complete the plant at about \$3 billion. The report notes that there is a wide range of uncertainty around that figure.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Federal Register Notice Published on Proposed Wind Project: The notice of availability of the Final Environmental Impact Statement for the Condon Wind Project was published in the *Federal Register* on September 7. The preferred action is for Bonneville to purchase the output from the 49.8-megawatt wind farm in Gilliam County, Oregon. Bonneville could issue the Record of Decision and sign the Power Purchase Agreement on or after October 8.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Community Conservation Challenge: Twenty-three utilities have signed up so far to participate in the Community Conservation Challenge. The Challenge will help support Bonneville's public utilities who have agreed to reduce their demand during the next wholesale power rate period.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Conference to Focus on Conservation Opportunities: To date, more than 400 people have registered for the Bonneville co-sponsored conference, "Conservation or Crisis: a Northwest Choice," in Portland, Oregon, September 24-26. Energy experts from throughout the Northwest, as well as manufacturers of energy efficient products, and representatives from the Department, are on the agenda.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

September 14, 2001

I. Schedule

September 24: Acting Administrator Steve Wright will provide opening remarks at the conference, "Conservation or Crisis: a Northwest Choice," in Portland, OR.

October 2: The Acting Administrator will speak at a conference sponsored by the gas industry, "Pacific Northwest Gas Strategies Conference," in Portland, OR.

II. Key Departmental News

Northwest Power System Normal During Terrorist Attacks: The Northwest power system operated normally during and after the tragic terrorist events of this week. No threats have been received. On September 11, Bonneville Power Administration (Bonneville) evacuated all but essential personnel from federal facilities it operates. To provide additional flexibility on the Northwest transmission grid, Bonneville canceled planned maintenance outages and ran all operable transmission facilities. Heightened security measures were in place September 12 when employees returned to the buildings.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Spill Season Ends: The period that Bonneville spills water over federal dams in order to help juvenile salmon during their migration to the ocean officially ended August 31. Due to this year's power emergency, the federal hydro system provided only about 20 percent of the amount of spill that it would have provided in a normal water year. The Biological Opinion authorizes the Administrator to declare a power emergency and interrupt fish operations during years of extremely low water conditions. This year the Northwest has experienced the second worst water year on record.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Regional Transmission Organization (RTO) Changes Plans for Comprehensive Filing with Federal Energy Regulatory Commission (FERC):

The RTO West Filing Utilities have set a new deadline of March 1, 2002, for filing a comprehensive Stage II proposal with FERC. The filing utilities still plan to respond to FERC's request for a December 1 status report on key issues, including a framework for formation of a West-wide RTO and a timetable for achieving that end. RTO West decided to delay the comprehensive filing in response to concerns expressed by the Northwest congressional delegation and regional stakeholders. Stakeholders requested more time to develop and consider

some of the more complex technical aspects of the proposal, including the cost-benefits analysis.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Policy for New Large Single Load (NLSL) to be Released: Within the next three weeks, Bonneville expects to issue a Record of Decision on its proposed NLSL policy, following the public comment period held in June and July. The NLSL policy is of considerable interest to Bonneville's Direct Service Industrial (DSI) customers. DSIs want to see the existing policy revised, which would enable them to purchase additional cost-based federal power through Bonneville's public utility customers.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Green Tag Sale Reduces Air Pollution: The Bonneville Environmental Foundation (BEF) announced a three-way deal between BEF, The Climate Trust, and Bonneville that will help reduce air pollution, displacing electricity that otherwise would have been generated by burning fossil fuels. BEF and The Climate Trust will buy more than \$200,000 in Green Tags from Bonneville. The tags represent power generated from Bonneville-supported wind projects. Bonneville will use the Green Tag revenue to invest in more renewable resource projects.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

September 21, 2001

I. Schedule

September 24: Acting Administrator Steve Wright will provide opening remarks at the conference, "Conservation or Crisis: a Northwest Choice," in Portland, Oregon.

October 2: The Acting Administrator will speak at a conference sponsored by the gas industry, "Pacific Northwest Gas Strategies Conference," in Portland, Oregon.

II. Key Departmental News

Federal Judge Rules Against National Marine Fisheries Service (NMFS): In a decision that has implications for salmon recovery efforts throughout the Columbia River Basin, a U.S. District Court judge in Eugene, Oregon, has ruled that NMFS erred in excluding hatchery-bred Oregon coastal coho from its 1998 decision to list the species as endangered. The judge based his decision on an opinion that hatchery coho were "genetically identical" to wild salmon. The judge invalidated the listing, and remanded the case back to NMFS for a decision consistent with the judge's findings. NMFS immediately revoked the listing and related protections on wild coho harvest and habitat in numerous Oregon coastal streams. NMFS said that a decision on whether to file an appeal would be made within the next 30 days.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Security Measures Following Last Week's Attacks: Heightened security measures continue at Pacific Northwest federal dams this week following the September 11 terrorist attacks in New York and Washington, D.C. Public access is limited and all tours have been cancelled until further notice. The Bonneville Power Administration (Bonneville) resumed safety patrols of its transmission system after airspace opened to certificated aircraft.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Record Returns of Endangered Salmon and Steelhead: Biologists are now predicting that this year's total adult fish return from the ocean to the Columbia River will reach three million endangered salmon and steelhead—the highest since at least 1938. Most of the returning fish are from hatcheries. Because only a small number of returning adults are needed for production of hatchery fish, fisheries in Oregon and Idaho responded by raising catch limits and extending

fishing seasons on hatchery fish. Biologists credit the record-setting returns to favorable runoff and ocean conditions, but they caution that this one-year phenomenon does not constitute recovery.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

New Power Sales Contracts Set to Go into Effect: Bonneville's new power sales contracts take effect October 1. The contracts include a number of significant new power products and contract provisions, including Bonneville's new Slice-of-the-System product where customers purchase a portion of the generating capability of the Federal Columbia River Power System. Bonneville's customers may opt out of their contract obligation up to 30 days after final Federal Energy Regulatory Commission approval of Bonneville's 2002-2006 rates, although none are expected to take the option.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Bonneville Sponsors Television Documentaries: Bonneville is sponsoring a series of mini documentaries featuring Bonneville-funded fish and wildlife projects. The series, called "Safe Keeping," closes each edition of "Columbia Country," a sports fishing show that will run on at least 14 Northwest television stations this fall.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.
IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

September 28, 2001

I. Schedule

October 2: Acting Administrator Steve Wright will speak at a conference sponsored by the gas industry, "Pacific Northwest Gas Strategies Conference," in Portland, Oregon.

October 16: The Acting Administrator will participate in a panel on energy issues at a meeting of the Western States region of the AFL-CIO, in Oakland, California. Acting General Counsel Randy Roach will be acting.

October 19: The Acting Administrator will participate in a panel on energy issues at a conference of the Society of Environmental Journalists, in Portland, Oregon.

II. Key Departmental News

Customers Satisfaction Increases: Despite a backdrop of a contentious rate case, a drought year and increased power costs, the Bonneville Power Administration (Bonneville) customer survey shows that customers think even higher of the agency's business dealings. In answer to the survey's summary question asking customers to compare Bonneville to other energy service providers, only 13 percent rated other power suppliers as providing better service than Bonneville's Power Business Line, and only 14 percent rated other transmission entities as providing better service than Bonneville's Transmission Business Line. The figures were 33 percent and 18 percent, respectively, one year ago.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Credits Sought for Fish Outlays: Bonneville supplied detailed information to Treasury this week and continued to work with the Office of Management and Budget, and the Department on end-of-year credits allowable under 4(h)10(c) credits and the Fish Cost Contingency Fund. The credits would be applied to Bonneville's annual repayment to the U.S. Treasury for fiscal year 2001. Several issues remain to be resolved before the financial books are closed on September 30.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Fish Spending Considered. With the five-year memorandum of agreement for fish funding expiring September 30,

Bonneville is working with the Northwest Power Planning Council (Council) and others to clarify spending estimates for the next five years. In its 2002-2006 rate case, Bonneville included an annual average of \$150 million for the Council Fish and Wildlife Program and \$36 million of capital dollars for hatcheries, large tributary passage and screening projects. At its meeting this week, the Council discussed ways to help prioritize the projects proposed through the 11 provincial reviews it is conducting. The provincial reviews will result in recommendations to Bonneville to fund ongoing and new fish and wildlife projects. The Columbia Basin Fish and Wildlife Authority and fish interests are telling the Council that Bonneville needs to increase its fish and wildlife budgets.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Oregon Approves Wind Farm Siting: The Oregon Energy Facility Siting Council last week announced its approval of siting for the Oregon portion of the 280-megawatt (MW) Stateline Wind Project. The Washington portion of the project, which is located on the eastern Washington-Oregon border, was approved earlier. Bonneville expects to purchase 90 MW of output from the farm under a 20-year contract. A Bonneville substation is scheduled to be completed at the site by mid-October. The project is expected to be completed in December.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

October 5, 2001

I. Schedule

October 16: Acting Administrator Steve Wright will participate in a panel on energy issues at a meeting of the Western States region of the AFL-CIO, in Oakland, California. Chief Operating Officer Steve Hickok will be acting.

October 19: The Acting Administrator will participate in a panel on energy issues at a conference of the Society of Environmental Journalists, in Portland, Oregon.

October 22: The Acting Administrator will speak at a Northwest Public Power Association conference in Victoria, BC. General Counsel Randy Roach will be acting.

October 23-25: The Acting Administrator will be in DC to meet with delegation prior to recess. Randy Roach will be acting.

II. Key Departmental News

Emergency Declaration Lifted: The Bonneville Power Administration (Bonneville) and the federal hydro operators this week lifted the seven-month-long emergency declaration on the Federal Columbia River Power System. Severe drought and skyrocketing power prices led Bonneville to declare emergency conditions under the Biological Opinion on April 3 of this year. Since then, through careful river operations management, substantial power purchases, financial management, and a number of dramatic load reduction efforts, Bonneville has been able to achieve storage targets at the reservoirs and meet its annual repayment obligation to the U.S. Treasury in full and on time. At the same time, Bonneville provided limited spill during juvenile salmon migration seasons this spring and summer in order to assist the fish passage over the dams. The Biological Opinion allows for Bonneville to modify its flow and spill operations for salmon recovery under a declared power emergency.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Federal Energy Regulatory Commission (FERC) Approves Power Rates: Last week, FERC granted interim approval of Bonneville's 2002 wholesale power rates. On October 1, Bonneville's rates, including the 46 percent load-based cost-recovery adjustment, went into effect as

scheduled. FERC is now proceeding to review the rates for final approval and has set a 30-day period for parties to comment.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Judge Recommends Against FERC-Ordered Refunds to Northwest

Parties: An administrative law judge has recommended against FERC ordering refunds for purchasers in the Northwest wholesale power market during the period of December 25, 2000, through June 1, 2001. The judge declared that Northwest spot market prices "were not unreasonable or unjust," and that high prices were the normal market response to limited power supply.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Acting Administrator Calls for Stability in Conservation Efforts:

Speaking at the "Conservation or Crisis" conference in Portland last week, Bonneville's Acting Administrator Steve Wright said that the Northwest must "get off the roller coaster" of boosting conservation funding when power prices soar and cutting funding when prices sink. As a first step, Wright said that Bonneville and the Northwest Power Planning Council would begin soon to develop a 10-year Comprehensive Northwest Energy Efficiency Strategy. The strategy would provide for multi-year stability of conservation programs and create an environment where utilities that pursue energy efficiency investments are not put at a competitive disadvantage.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Wind Project Decision Due: Within the next 3 weeks, the Acting Administrator will decide whether to purchase power from the 49.8-megawatt (MW) Condon Wind Project in Gilliam County, Oregon. Bonneville completed an Environmental Impact Statement on the Project in September. The first phase of the Project (24.6 MW) is expected to be online by December 2001; the remainder by June 2002.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

October 12, 2001

I. Schedule

October 16: Acting Administrator Steve Wright will participate in a panel on energy issues at a meeting of the Western States region of the AFL-CIO, in Oakland, California. Chief Operating Officer Steve Hickok will be acting.

October 19: The Acting Administrator will participate in a panel on energy issues at a conference of the Society of Environmental Journalists, in Portland, Oregon.

October 22: The Acting Administrator will speak at a Northwest Public Power Association conference in Victoria, B.C. The Chief Operating Officer will be acting.

October 23-25: The Acting Administrator will be in Washington, D.C., to meet with members of the congressional delegation prior to recess. The Chief Operating Officer will be acting.

II. Key Departmental News

Tribe and New Municipal added as Preference Customers: Bonneville Power Administration (Bonneville) has two new preference customers under the new power sales contracts that went into effect October 1. The Umpqua Tribal Utility Cooperative (UTUC) is Bonneville's first tribal utility customer. Formed by the Cow Creek Band of the Umpqua Tribe of Indians, the UTUC met Bonneville's standards for service requirements. Hermiston Energy Services, a new municipal utility, will serve an eastern Oregon area formerly served by an investor-owned utility.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Irrigators Challenge Salmon Listings: The Columbia-Snake Irrigators Association has petitioned the National Marine Fisheries Service, seeking reversal of seven Columbia and Snake River salmon and steelhead listings under the Endangered Species Act (ESA). The group based its petition on a September 10 ruling by a Eugene, Oregon, federal judge who said both hatchery and wild Coho should be included in an ESA listing since they were defined as part of the same evolutionary significant unit.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Reaches Agreement with Aluminum Company on First-Year Contract Operations: Bonneville and Kaiser Aluminum and Chemical Company (Kaiser) have reached an agreement for the first year of Kaiser's 2002-2006 contract that gives Bonneville interruption rights in exchange for offsetting Kaiser's take-or-pay contract obligation. If Kaiser's plants operate this next year, the option will help reduce demand during winter cold snaps and bolster the federal hydro system in the event of another dry year. No agreement has been reached for fiscal years 2003 through 2006. Kaiser's plants are currently shutdown due largely to low worldwide aluminum prices. The shutdown is not the result of any load reduction deal with Bonneville.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Northeast-Midwest Institute Continues to be Critical of Bonneville: The Northeast-Midwest Institute last week circulated an article entitled, "Bonneville's Machinations: BPA Stiffs Taxpayers, Kills Fish, Subsidizes Smelters, and Asks for a Blank Check." The Institute has been highly critical of Bonneville over the years, and this article continues to misrepresent several current issues. The Institute's position is that Bonneville should be sold or required to sell power at market rates instead of at cost.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Exceeds Last Year's Targets to Reduce Waste, Save Energy: Bonneville has exceeded its goals for reducing waste and saving energy in fiscal year 2000. Landfill waste was reduced and recycling tonnage was increased by more than the 10 percent goal. In addition, monthly average electricity use at Bonneville headquarters in the months of January-September was 28,945 kilowatthours (kWh)--down from a 5-year monthly average of 31,098 kWh.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Security Increased at Federal Facilities. Bonneville increased security at its buildings and facilities this week from Security Condition 3 to Security Condition 2. The increase calls for heightened levels of awareness and vigilance on the part of employees and security personnel. The U.S. Army Corps of Engineers and the Bureau of Reclamation also increased security at the federal hydro projects this week.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Wind Project Decision Due: Within the next two weeks, the Acting Administrator will issue a Record of Decision determining whether to purchase the entire output from the 49.8-megawatt (MW) Condon Wind project in Gilliam County, Oregon. Bonneville completed an EIS on the project in September. The first phase of the project (24.6 MW) is expected to be on line by December 2001; the remainder by June 2002.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

October 19, 2001

I. Schedule

October 22: Acting Administrator Steve Wright will speak at a Northwest Public Power Association conference in Victoria, B.C. Chief Operating Officer Steve Hickok will be acting.

October 23-25: The Acting Administrator will be in Washington, D.C., to meet with members of the congressional delegation prior to recess. The Chief Operating Officer will be acting.

November 5-7: The Acting Administrator will participate in the quarterly strategic planning session with the Bonneville Power Administration (Bonneville) executive team.

II. Key Departmental News

Analysis Says Region Will Have Adequate Power Supply This Winter: The Northwest Power Planning Council (Council) said this week that the Pacific Northwest will have an adequate supply of electricity this winter. The loss of load probability has fallen from over 12 percent in the Council's May analysis to less than 1 percent today. The most important factor in the increased reliability is unprecedented levels of load reduction over the past year. More than half this reduction is due to the current aluminum company closures. In addition, more than 900 megawatts of new generation is in service just since this summer. Finally, federal agencies have stored more than enough water in Canadian reservoirs to meet reliability targets the Council set for this winter. Members noted that the year has been one of the toughest in history for the Northwest power system, but that the region is on track for improvements.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville to Issue Revised Emergency Load Dropping Procedures: Within the next month, Bonneville will announce revisions to its procedures for curtailing load in winter power system emergencies. For the first time, these procedures may directly affect Bonneville's utility customers. Historically, when it needed to curtail loads for an hour or several hours, Bonneville planned for interrupting service to aluminum smelters. With all of Bonneville's aluminum customers temporarily shut down, Bonneville has been working with utility customers to arrive at equitable and workable alternatives. While the Council projects a very low probability of power deficits this winter, prudent utility practice--as well as

the North American Electric Reliability Commission (NERC) reliability standards-- require that utilities have load dropping procedures in place.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Federal Register Notice (FRN) Due on Important Policy: Bonneville plans to publish a FRN within the next two weeks announcing its decision on the New Large Single Load (NLSL) policy revisions. A public comment period on the proposed policy changes last summer drew widely divergent comments. The NLSL policy is of particular interest to Bonneville's Direct Service Industrial (DSI) customers, who want to see the existing policy revised so they can purchase additional cost-based federal power through Bonneville's public utility customers.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Agreement Sought on Bonneville Obligations Post-2006: Bonneville customers plan to initiate a series of discussions about Bonneville's obligation to serve its regional customers when the current contract term expires in 2006. The demand for Bonneville's cost-based power exceeds the resources in the Federal Columbia River Power System. Bonneville and its customers must agree on which loads Bonneville will serve in time for affected customers to build or acquire other resources as needed prior to 2006. The discussions would involve all Bonneville's major Pacific Northwest customer groups (public agencies, investor-owned utilities, and direct-service industries) and include a public involvement process.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Executives Continue Work on Regional Fish Plan: An executive-level steering committee met late last week to pursue agreement on a set of actions and how resources will be committed to accomplish the recovery goals in the National Marine Fisheries Service 2000 Biological Opinion (BiOp). The committee, made-up of regional executives from Federal and State agencies and tribes, was formed to lay the groundwork for development and successful implementation of the action plans required by the BiOp.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Bonneville Renews Membership in Federal Sustainability Organization: The Acting Administrator has renewed Bonneville's membership in the Federal Network for Sustainability. Bonneville is recognized as a model agency among the six Federal agencies in the network for its leadership in green power purchases, sponsorship of green power workshops, working with other Federal agencies in energy efficiency and participation in a green paper initiative.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

V. Press Inquiries

Article Highly Critical of Bonneville Expected to be Published: The *Electricity Journal* apparently plans to publish a treatise released by the Northeast Midwest Institute, "Bonneville's Machinations: BPA Stiffs Taxpayers, Kills Fish, Subsidizes Smelters, and Asks for a Blank Check." Representatives of the publication contacted Bonneville press staff last week and offered the opportunity to publish a "rebuttal." Published in Ohio, the *Electricity Journal* has a circulation of about 2,500 electric industry executives from around the country.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

October 26, 2001

I. Schedule

October 30: Acting Administrator Steve Wright will meet with Washington Governor Gary Locke in Olympia, Washington, for an update on Bonneville Power Administration (Bonneville) issues.

November 2: The Acting Administrator will speak at the annual meeting of the Pacific Northwest Utilities Conference Committee in Portland, Oregon.

November 5-7: The Acting Administrator will participate in the quarterly strategic planning session with the Bonneville executive team. Supervisory Attorney Adviser Marybeth Van Buren will be acting.

II. Key Departmental News

Fiber Audit to be Released: Bonneville has received the final report from the Western Region office of the Inspector General (IG) on the Power Marketing Administrations' use of fiber optic cable. The report is expected to be posted to the IG's Web site within the next week. The IG indicates that the audit was self-initiated. The report has a single recommendation: that the agency should limit the acquisition of fiber optic cable to the size needed to satisfy its operational needs. Bonneville concurs in this recommendation. The report also states that Bonneville is inappropriately competing with private industry when it leases what the IG views as permanently excess fiber capacity. Bonneville and IG differ over what is needed for continued control system reliability. Bonneville's projections show that the number of fibers being installed will be needed in the future to preserve transmission system reliability, and it is far more cost-effective to install these fibers up front. By leasing the temporarily excess dark fiber, Bonneville reduces the cost to ratepayers of converting the transmission control system from an outdated analog system to a digital system and preserves scarce borrowing authority. The Administrator has express statutory authority to lease such property under the Bonneville Project Act of 1937.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Report Projects Northwest Power System on the Edge This Winter: The Northwest Power Pool issued a report this week called "Assessment of Reliability and Adequacy 2001-2002 Winter Operating Conditions." The Power Pool concludes the region should be able to meet its electricity needs this coming winter, but without much margin and only because conditions continue outside the

“normal” operating range (e.g., aluminum smelter closures). The report covers Oregon, Washington, Idaho, and Montana, plus Wyoming, Utah, Nevada, a portion of northern California, and two Canadian provinces—British Columbia and Alberta.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Northwest Power Planning Council (Council) Working to Stay Within Bonneville’s Budget: Council staff have developed a fish and wildlife planning budget that will come within Bonneville’s available funding for fish and wildlife in 2002. Proposals to the Council for new and continuing projects far exceed Bonneville’s available funding for 2002-2006, which averages \$150 million in expense and \$36 million in capital per year.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Department-Sponsored Energy Education Program Kicks Off in Portland:

A nationwide ENERGY STAR® consumer education program kicks off at a Portland elementary school next week. The “Change a Light—Change the World” campaign to teach consumers about the benefits of energy-efficient lighting products is co-sponsored by the Department and the Environmental Protection Agency. Bonneville and local investor-owned utilities are local sponsors. Similar events are slated for Hartford, Connecticut, and Milwaukee, Wisconsin.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

V. Press Inquiries

Media Reports on Juvenile Salmon Survival Misleading: Recent media reports have suggested that low flow conditions resulting from hydro operations this year decimated migrating salmon and steelhead. In fact, the main cause of low flows is the drought—not river operations. Spring migrants (except steelhead) actually did better this year than in previous dry years. The higher numbers suggest some success from investments made over the past 20 years to improve fish passage conditions through the Federal Columbia River Power System. Importantly, the survival numbers recently reported in the media do not include fish that were collected above the dams and barged, which include fully

90 percent of the Snake River migrants and about 50 percent of the summer migrants in the main stem Columbia.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

November 2, 2001

I. Schedule

November 5-7: Acting Administrator Steve Wright will participate in the quarterly strategic planning session with the Bonneville Power Administration (Bonneville) executive team. Assistant General Counsel Marybeth Van Buren will be acting.

November 15: The Acting Administrator will participate in the first of a series of Bonneville-sponsored customer roundtables on RTO West (see story in paragraph III below) in Boise, Idaho. Chief Operating Officer Steve Hickok will be acting.

II. Key Departmental News

Judge's Decision Prompts Numerous Petitions to Reverse Endangered Species Listings: The National Marine Fisheries Service (NMFS) has received at least five administrative "de-listing" petitions following a federal district judge's decision last month that called NMFS' Endangered Species Act (ESA) listing for Oregon coastal coho unlawful. NMFS must decide by November 9 whether to appeal the judge's decision. Combined, the de-listing petitions cover all 12 listed stocks of Columbia Basin salmon and steelhead. Bonneville funds the majority of Northwest's ESA efforts to recover these stocks. NMFS has one year from the petitions' submittal to decide whether to de-list. The petitioners have given notice of their intent to pursue litigation if the requests are not acted upon.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Northwest Power Planning Council (Council) Calls for "Conservation Power Plant:" The Council has released an issue paper, "An Efficiency Power Plant in Three Years: An Interim Goal for the Northwest," which says the Northwest could add 300 megawatts to its power supply in the next three years through energy conservation. The Council says the efficiency improvements—estimated to cost less than the cost of building new power plants—would help insulate utilities and their customers from volatile wholesale prices. The Council is requesting public comments on the proposal through November 16.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Meets with Customers on Post-2006 Obligations: Bonneville executives will meet with customers November 16 to pursue discussions about Bonneville's post-2006 obligations. Bonneville's major customer groups (public agencies, investor-owned utilities, and direct-service industries) are expected to

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

November 9, 2001

I. Schedule

November 15: Acting Administrator Steve Wright will participate in the first of a series of Bonneville Power Administration (Bonneville)-sponsored round tables on the Regional Transmission Organization (RTO) West (see story, below) in Boise, Idaho. Chief Operating Officer Steve Hickok will be acting.

November 29: The Acting Administrator will speak at the Association of Idaho Cities Energy Conference in Boise, Idaho. He will also meet with Idaho Governor Dirk Kempthorne. Steve Hickok will be acting.

II. Key Departmental News

Environmental Groups File Suit on Bonneville's Hydro Operations:

Environmental interest groups filed suit against Bonneville in the Ninth Circuit this week. The suit alleges that the agency's hydro operations this summer violated provisions of the Northwest Power Planning and Conservation Act, which requires Federal agencies to provide salmon "equitable treatment" with energy. In the face of the West Coast energy crisis and near-record drought this year, Bonneville declared a power emergency under the 2000 National Marine Fisheries Service Biological Opinion. Bonneville worked with federal, state, and tribal interests to develop and use financial and reliability criteria in order to balance the biological requirements of river operations.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Department to Purchase Green Power from Bonneville: The Department's Richland office will purchase an additional 0.5 average megawatt (aMW) of environmentally preferred power (EPP) from Bonneville for the Hanford site for the next two years. This brings Hanford's total EPP purchases from Bonneville to 1.5 aMW for the first two years and 1 aMW for the last three.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Compact Fluorescent Light (CFL) Program Huge Success: Bonneville sent a letter to its utility customers this week announcing that its ENERGY STAR[®] CFL Coupon Program has achieved its goal of changing the marketplace. By the end of October, the region's ratepayers had redeemed over two million coupons to purchase CFLs, and many were buying CFLs without the coupons, as well. The retail prices of the CFLs dropped from \$15 three years ago to about \$6 today, while the quality improved. Satisfaction with the products was very high

(81 percent of recent buyers were satisfied or very satisfied). Though the CFL rebate will be suspended, the program will continue, focusing on other lighting products (such as torchieres). Preserving the program structure also leaves Bonneville the option to offer another CFL coupon rebate later in the year should the market require further stimulus.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Stakeholders Review RTO Filing: In preparation for a status report filing with the Federal Energy Regulatory Commission on December 1, RTO West representatives have released a draft status report covering seams resolution, participation by Canadian entities, and a framework and timetable for formation of a West-wide RTO. Regional stakeholder comments are due November 21. Three of the potential RTO West investor-owned utility participants have indicated that they cannot support the filing in its current form. The filing utilities will continue to attempt to reach agreement before December 1.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Annual Chum Operations to Begin: State, federal and tribal fish managers agreed this week to begin this year's operations to help threatened chum salmon approximately November 18, once chinook salmon are done spawning in the Vernita Bar. In the fall, federal hydro operators, including Bonneville, provide increased flows below Bonneville Dam in order to keep chum spawning habitats covered with water. Usually the chum operations start by November 1. This year operations were held up to coordinate with Bonneville's obligation under the Vernita Bar Agreement, where flows are increased for chinook salmon spawning in the Upper Columbia River below Priest Rapids Dam.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Remedial Actions Schemes (RAS) Effective in Preserving Transmission

Reliability: Bonneville's annual test of RAS on the southern and northern interties last week demonstrated that the system is effective in stopping isolated power outages from spreading through the rest of the Western grid. The RAS technology, which relies on the continued availability of a highly reliable Bonneville telecommunication system, greatly increases the amount of power that can be transferred over existing transmission lines. With the alternating current RAS in service, the Northwest gains 4,000 megawatts of north to south transfer capability on the California-Oregon Intertie above the 700-megawatt thermal rating of the intertie. The Western States Coordinating Council requires an annual test of RAS.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

Security Increased at Nuclear Plant: Responding to a Nuclear Regulatory Commission order that all utilities secure their perimeters around nuclear plants, Energy Northwest has increased monitoring and established a vehicle checkpoint some distance from the Columbia Generating Station. Security costs are expected to increase by approximately \$1 million, including overtime for current staff, eight new security officers, and replacement of some security equipment. In addition, changes are being proposed to nuclear insurance policies for terrorist coverage in case of more than one loss.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

November 16, 2001

I. Schedule

November 29: Acting Administrator Steve Wright will meet with Idaho Governor Dirk Kempthorne. He will also speak at the Association of Idaho Cities Energy Conference in Boise, Idaho. Chief Operating Officer Steve Hickok will be acting.

II. Key Departmental News

Bonneville Power Administration (Bonneville) Earns Award: Bonneville earned top honors at the Peak Load Management Alliance Fall Conference for its Demand Exchange Program, a voluntary peak load reduction program. By using the Internet, Bonneville posts an offer to purchase curtailments when the wholesale electricity market reaches a specified trigger level. Bonneville's customers can choose to accept the offer and reduce their demand for power. Bonneville achieved 10,000 megawatt-hours of voluntary curtailments and realized \$2 million in savings through this program because it did not have to buy as much expensive power from the wholesale market. Apogee Interactive Inc. operates the program.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Aluminum Company Lays Off Employees—Blames Bonneville: Golden Northwest Aluminum is blaming Bonneville's curtailment agreement for its recent announcement that it will layoff another 200 employees. Company owner Brett Wilcox said that Bonneville's requirement that workers laid off due to its curtailment agreement with Golden be paid wages and benefits has hardened unions' positions in current contract negotiations. Most of Golden's operations at its Goldendale, Washington, and The Dalles, Oregon, smelters are curtailed under Bonneville agreements through March 31, 2002. Bonneville does not get involved in the labor negotiations of its customers.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Seattle Council Members, Environmental Groups Concerned About Transmission Line Siting: Seattle City Council members were convinced of the need for transmission upgrades in the King County area in a meeting last week, but City officials and environmental groups continue to be concerned about Bonneville's proposal to route the line across a watershed that supplies Seattle's water. One environmental representative told Bonneville that the organization is prepared to resort to litigation if Bonneville proceeds with the preferred

alternative in the Draft Environmental Impact Statement (DEIS) for routing the proposed Kangley/Echo Lake transmission line through the watershed. City officials have asked for indemnification if the City's water supply is degraded and a costly water filtration system is needed. Bonneville is considering how to incorporate these issues and costs into the DEIS, which is now out for public comment.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Federal Agency Will Not Appeal Judge's Ruling on Endangered Fish:

Instead of appealing a Federal court order that tossed out the Oregon coastal coho Endangered Species Act (ESA) listing, the National Marine Fisheries Service has opted to use that decision as a springboard toward the re-evaluation of as many as 23 other West Coast listings and its own artificial production strategy. That review is to be completed by September 2002. Protections for listed salmon and steelhead "evolutionarily significant units" will remain in place during the course of the review. Conservation groups and fishing groups have asked for intervenor status and are prepared to file an appeal. Bonneville funds the majority of ESA efforts to recover the region's endangered salmon and steelhead.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Customers Ask Court to Review Rate Case Allocations: Bonneville's public agency customers have asked the U. S. Court of Appeals for the Ninth Circuit to review Bonneville's allocation of power costs in its 2002 wholesale power rate case. The petition for review, filed last week by 21 public utilities in the Pacific Northwest Generating Cooperative and the Public Generating Pool, alleges that Bonneville has violated the public preference provisions in the Northwest Power Act by deciding to sell "more power than is available from the Federal Base System resources." It says this resulted in shifting "an estimated \$550 million per year in power costs to public preference customers for the benefit of Direct Service Industry (DSI) customers." Investor-owned utilities, tribes, and DSIs have filed motions to intervene in the suit. Bonneville plans to file a motion to dismiss the petition for lack of jurisdiction by the court-established deadline of November 21.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Northwest Power Planning Council (Council) Recommends Fish Projects for Funding:

The Council last week recommended \$34.6 million in fish and wildlife projects in the Columbia Plateau ecological province. Funding for the projects would come from Bonneville. Fish and wildlife agencies and Indian tribes objected to the Council's recommending funding for the Columbia Plateau before all 11 provincial reviews that the Council is planning are completed. The groups continue to question the adequacy of the approximately \$186 million Bonneville

expects to allocate to such projects in fiscal year 2002. The Council has committed to a public discussion of the amount at its December 10-11 meeting in Portland.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville Sponsors Project to Link Distributed Generation Output:

Bonneville and the Department are sponsoring an experimental project to link the output of existing small generation, renewable resources, demand management, and energy storage systems through the Internet. The combined output of numerous small resources, if integrated through the Internet's communication technology, is expected to create a block of power large enough to help meet peak demands and increase system benefits. Bonneville estimates the completed project could add another 20 megawatts of capability to its power system.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Public Power Representative Rebuts Article Criticizing Bonneville: Jerry Leone, Manager of the Public Power Council (PPC), has submitted a response to the Northeast Midwest Institute's article, "Bonneville's Machinations: BPA Stiffs Taxpayers, Kills Fish, Subsidizes Smelters, and Asks for a Blank Check" which appeared in the *Electricity Journal* in October. A point-by-point rebuttal of the inflammatory original article, Leone's response will be published in the December or January edition of the industry publication. The PPC represents Bonneville's public utility customers in the Northwest.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Newspapers Criticize Bonneville's Hydro Operations Decisions: Several regional newspapers ran editorials and news stories critical of Bonneville following last week's lawsuit filed by conservation and fishing groups on Bonneville's hydro operations. In the face of the West Coast energy crisis and near-record drought this year, Bonneville worked with federal, state, and tribal interests to preserve power system reliability while balancing it with the biological requirements of migrating fish. Bonneville and the other federal hydro operators

are preparing an annual progress report detailing actions under the 2000 Biological Opinion. The report will include an analysis of survival rates of juvenile salmon that migrated through the hydro system this year.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

November 26, 2001

I. Schedule

November 29: Acting Administrator Steve Wright will meet with Idaho Governor Dirk Kempthorne. He will also speak at the Association of Idaho Cities Energy Conference in Boise, Idaho. Chief Operating Officer Steve Hickok will be acting.

December 5: The Acting Administrator will attend a Bonneville Power Administration (Bonneville)-sponsored round table with public utility customers regarding Regional Transmission Organization (RTO) issues in Seattle, Washington. Steve Hickok will be acting.

December 6: The Acting Administrator will meet with State and tribal officials and federal executives concerning implementation of the National Marine Fisheries Service (NMFS) 2000 Biological Opinion.

December 10: The Acting Administrator will meet with Montana Governor Judy Martz in Helena, Montana. Steve Hickok will be acting.

December 12: The Acting Administrator will speak at the annual meeting of the Oregon Rural Electric Cooperatives in Portland, Oregon.

December 13: The Acting Administrator will speak at the annual meeting of the Public Power Council in Portland, Oregon.

II. Key Departmental News

More Wind Power Expected to be Acquired Soon: By mid-December, Bonneville expects to sign a Record of Decision and a power purchase agreement to purchase 90 megawatts (MW) of wind energy from Pacific Power Marketing. The wind energy will be generated at the 263-MW Stateline Wind Project located on the Washington/ Oregon border. The 90 MW is scheduled to be online by the end of December. The negotiations have extended longer than expected due to the costs of penalties for "generation imbalance." (See following story.)

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Transmission Rate Change Requested in Order to Support Wind Development: Bonneville's Power Business Line (PBL) will send a request to the Bonneville Transmission Business Line (TBL) for a change in the "generation imbalance service" contained in TBL's 2002 rates. The

penalty for generation imbalance is intended to discourage generation operators from deviating frequently or significantly from their transmission preschedules—generally in order to take advantage of market conditions.

However, PBL believes the penalty is excessive for wind projects because operators cannot regulate the output of the wind resource. PBL is proposing TBL remove the generation imbalance charge for “intermittent resources,” including wind and any other resources that might be included under that definition.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Public Customers Discuss RTO Concerns with Bonneville: Acting Administrator Steve Wright and other Bonneville representatives met with members of the Idaho Consumer-Owned Utility Association on November 15 to discuss RTO West progress. Fifteen public utilities and entities were represented at the meeting. Wright told the group that an RTO must meet Bonneville’s principles before it will join. Customers expressed concern about continuing existing contractual rights to transmission services and facilities and keeping costs down under a new RTO. The meetings continue next month in Seattle, Washington, and Portland, Oregon.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Bonneville to Join the New Western Electricity Coordinating Council (WECC): Bonneville has served notice to the Northwest Regional Transmission Association (NRTA) that it expects to terminate its relationship with NRTA as soon as the newly formed WECC is up and running. NRTA’s two counterparts— Southwestern RTA and a Western RTA—will both dissolve and merge into the new WECC. With WRTA and SWRTA phased out, Bonneville believes Northwest parties will find themselves in an isolationist position unless they also move to WECC. WECC is scheduled to replace the old Western Systems Coordinating Council (WSCC) and take over its functions, including reliability and ratings of new lines. WECC has also agreed to take over alternate dispute resolutions and planning coordination—two important functions that NRTA now performs. As proposed, RTO West would take over planning coordination.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

U.S. Army Corps of Engineers (Corps) Says Helps Fish: The Walla Walla District of the Corps announced last week that its program to transport juvenile salmon past the dams provided safe passage for more than 22.3 million juvenile salmon and steelhead this year, including about 80 percent of Snake River salmon and steelhead. The survival rate of fish

transported averaged 98 percent, compared to an estimated 23 percent that survive making the trip in the river. A recent report from the Fish Passage Center received significant media attention when it implicated low levels of spill provided by Bonneville and the other hydro operators during this year's drought as responsible for low levels of in-river survival. The report ignored survival rates for transported fish. The Corps' latest research shows that about twice as many transported fish return to spawn than fish that travel in river to below Bonneville Dam.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Implementation Plans for Salmon Recovery Issued: Last week, Bonneville, the Corps, and the Bureau of Reclamation released their annual Implementation Plan for 2002, as required under the National Marine Fisheries Service and Fish and Wildlife Service 2000 Biological Opinions for the Federal Columbia River Power System (FCRPS). The plan incorporates many of the actions Bonneville funds under the Northwest Power Planning Council's Fish and Wildlife Plan, as well as still-to-be-completed new projects approved under the Bonneville High Priority, Innovative, and Action Plan solicitations in 2001. It also includes \$81 million in capital improvements at the dams to assist fish passage and hydro operations strategies.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Conference to Feature Infrastructure Security: Bonneville will participate in a conference November 30 in Spokane, Washington, on developing a "comprehensive infrastructure security initiative" for the Northwest. The conference is sponsored by the Pacific Northwest Economic Region, a nonprofit economic development organization in five Northwest states and three Canadian provinces.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

November 30, 2001

I. Schedule

December 5: Acting Administrator Steve Wright will attend a Bonneville Power Administration (Bonneville)-sponsored round table with public utility customers regarding Regional Transmission Organization (RTO) issues in Seattle, Washington. Acting General Counsel Randy Roach will be acting.

December 6: The Acting Administrator will meet with State and tribal officials and federal executives concerning implementation of the National Marine Fisheries Service (NMFS) 2000 Biological Opinion.

December 10: The Acting Administrator will meet with Montana Governor Judy Martz in Helena, Montana. Chief Operating Officer Steve Hickok will be acting.

December 12: The Acting Administrator will speak at the annual meeting of the Oregon Rural Electric Cooperatives in Portland, Oregon. Also on December 12, he will attend a Bonneville-sponsored round table with public utility customers regarding RTO issues.

December 13: The Acting Administrator will speak at the annual meeting of the Public Power Council in Portland, Oregon.

II. Key Departmental News

Enron Impacts: Bonneville is well positioned to endure an Enron bankruptcy. Enron's net position is that it must deliver power to Bonneville over the next five years. The amounts are small relative to Bonneville's portfolio and would not significantly disrupt Bonneville's business if delivery was not made. The contracts are generally priced above the current market. Bonneville would owe Enron for these deliveries, so there is little financial exposure if Enron files for bankruptcy. Enron has sought to cash out these contracts but so far none of the proposed transactions have been of interest to Bonneville.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

RTO Status Filing Submitted: RTO West representatives will file a December 1 status report with the Federal Energy Regulatory Commission (FERC). The status report addresses the four key RTO West issues FERC requested in its April 26 order: a status report on seams resolutions, participation by Canadian entities, a framework for formation of a West-wide RTO, and a timetable for achieving that end. The filing utilities proposes creating three fully

operational RTOs in the West (RTO West, WestConnect, and California ISO), while working together to create single market for transmission services in the West. In the future, the report says, it may be possible to consolidate the initial three RTOs into fewer RTOs.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Lawsuit Against Bonneville Customer Implicates Bonneville: Bond trustee BNY Western Trust Company has filed a lawsuit against Golden Northwest, one of Bonneville's direct-service industrial customers, regarding its use of revenues realized from remarketing federal power. The lawsuit claims that Golden Northwest's use of remarketing revenues to fund construction of certain energy resources violates the bond indenture. Because of its involvement in remarketing Golden Northwest power, Bonneville is mentioned in the filing.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

U.S. Army Corp of Engineers (Corps) Expects to Release Environmental Impact Statement (EIS) on Lower Snake River Dams: On December 3, the Corps expects to release to Federal agencies in the Federal Caucus a final EIS on whether to breach the four lower Snake River dams. The final EIS will include a preferred alternative. The EIS will be released to the public in January. Following at least 30 days of final public comment, the Corps expects to sign the Record of Decision in May 2002. The four lower Snake River dams contribute approximately 1,150 megawatts (MW) of generation compared to the 8,000 average MW generated by the Federal Columbia River Power System in an average water year.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Contest to Win Hybrid Car Caps Conservation Campaign: The week of December 17, Bonneville's Community Conservation Challenge pledge-a-thon will culminate in the announcement of a winner in the drawing for a new hybrid (hydrogen and gasoline powered) car. A media event may be arranged to make the announcement. Since September, utilities that buy power from Bonneville have distributed pledge cards in their customer bills. Consumers pledged to take immediate action to save electricity, such as installing compact fluorescents, turning off computers when not in use, and using the air-dry feature on dishwashers. The program reduces Bonneville's need to buy additional power and helps protect system reliability for the region.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Newspaper Evaluates Bonneville Response to West Coast Power Crisis:

Reporters for the Portland daily newspaper, *The Oregonian*, have inquired about Bonneville's financial condition in the face of last year's skyrocketing electricity prices and near-record drought. Acting Administrator Steve Wright told the reporters he would have done nothing differently. He said that Bonneville and its customers made solid decisions on behalf of Northwest consumers, brought the rate increase down from over 200 percent to 46 percent, and finished the year with adequate financial reserves.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

December 7, 2001

I. Schedule

December 10: Acting Administrator Steve Wright will meet with Montana Governor Judy Martz in Helena, Montana. Chief Operating Officer Steve Hickok will be acting.

December 12: The Acting Administrator will speak at the annual meeting of the Oregon Rural Electric Cooperatives in Portland, Oregon. Also on December 12, he will attend a Bonneville Power Administration (Bonneville)-sponsored round table with public utility customers regarding RTO issues.

December 13: The Acting Administrator will speak at the annual meeting of the Public Power Council in Portland, Oregon.

December 17: The Acting Administrator will participate in a planning retreat at Skamania Lodge in Washington State led by Jim Connaughton, Chair of White House Council on Environmental Quality, as well as other Federal agencies involved in Northwest salmon recovery issues. Acting General Counsel Randy Roach will be acting.

December 20: The Acting Administrator will meet with George Haymaker, the interim Chief Executive Officer for Kaiser Aluminum and Chemical.

II. Key Departmental News

Utility Challenges Bonneville Transmission Project Proposal: Avista Corp., a Washington State investor-owned utility, is challenging Bonneville's proposed Bell-Coulee transmission project. This proposed project would replace over 80 miles of existing 115-kilovolt (kV) line with 500-kV line between Grand Coulee Dam and Spokane, and it would relieve congestion on a critical path known as the West of Hatwai cutplane. Avista is seeking support for an alternative option. Bonneville believes, at a cost of about \$110 million, the Bell-Coulee line will be less expensive than the Avista proposal. Avista's proposal also appears insufficient to resolve the area's congestion long term. The Bell-Coulee line is one of nine priority transmission projects recommended last August by the Infrastructure Technical Review Committee, a group of regional transmission experts, including a representative from Avista. Bonneville's existing transmission system cannot handle the projected growth in the region's demand without additional capacity and facilities.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Local Press Covers Controversy on Transmission Line Upgrade: *The Tacoma News Tribune* is following developments in Bonneville's proposal for the Kangley-Echo Lake transmission upgrade and reporting on the controversy. City officials and environmental groups are concerned about Bonneville's proposal to route the line across a watershed that supplies Seattle's water. Bonneville is considering how to incorporate these issues and costs into the draft Environmental Impact Statement (EIS). Bonneville plans to issue a final EIS on the upgrade in December.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Local Press Covers Billing Dispute Between Bonneville and Customer: *The Longview Daily News* has inquired about the dispute between Bonneville and Cowlitz County Public Utility District (Cowlitz) regarding power service to Cowlitz's industrial customer, Longview Fibre. Bonneville and Cowlitz have entered into binding arbitration to settle the dispute.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report.

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

December 14, 2001

I. Schedule

December 17: Acting Administrator Steve Wright will participate in a planning retreat at Skamania Lodge in Washington State, with executives from the White House Council on Environmental Quality (CEQ) and other Federal agencies involved in Northwest salmon recovery issues. Chief Operating Officer Steve Hickok will be acting.

December 20: The Acting Administrator will meet with George Haymaker, the interim Chief Executive Officer for Kaiser Aluminum and Chemical.

January 7: The Acting Administrator will speak at the member § conference of the Idaho Cooperative Utilities Association in Boise, Idaho. Steve Hickok will be acting.

II. Key Departmental News

Regional Discussions on Hold: Pacific Northwest public power representatives discontinued discussions with Bonneville Power Administration's (Bonneville) direct service industries (DSI) last week after a legislative provision about the DSIs was included in Representative Joe Barton's electricity bill (H.R. 3460). The provision requires Bonneville continue to sell power to the DSIs after the current contracts expire in 2006. Public power representatives believe the DSI's legislative effort violates an agreement Bonneville's customers had to work together in the region to develop an equitable solution that represents regional consensus. The public power representatives are willing to re-commence the post 2006 discussions if the DSIs ask that the provision be removed from the bill.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Federal Executives to Discuss Fish Strategy: Chief executives from the CEQ and regional Federal agencies involved in Pacific Northwest salmon recovery will meet December 17 in Washington State for a one-day retreat. The purpose of the retreat is to identify strategic alternatives for the 2002 salmon recovery efforts. The group will also discuss strategy in the mediation on the 2000 Biological Opinion. The mediation was initiated to resolve issues in a lawsuit filed by environmental groups.

Media Interest: Some.

Program Contact: Jeff Stier, 202-586-5640.

Administrator Informs Northwest Power Planning Council (Council) of Bonneville Criteria, Funding for Fish Recovery: The Acting Administrator has written to the Council Chairman, Frank Cassidy, to clarify Bonneville's fish and wildlife spending estimates and funding criteria for fiscal years (FY) 2002 through 2006. The letter affirms that target budget levels have increased over the prior Budget Memorandum of Agreement (which covered FY 1996 through FY 2001) from \$100 million to \$150 million in the expense category and from \$27 million to \$36 million in capital. It also said that Bonneville plans to leverage other sources of funding through cost sharing and innovative partnerships with other Federal, State, and Tribal governments. The letter expressed Bonneville's desire to develop a truly unified plan for recovery of endangered fish in the region. Such a plan would prioritize Endangered Species Act measures in the Council's Fish and Wildlife Plan and coordinate the Council's Plan with implementation plans for the 2000 Biological Opinion.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Western System Coordinating Council (WSCC) Recognizes

Bonneville Engineer: Bill Mittelstadt, an engineer in Bonneville's Transmission Business Line, last week received the Western System Coordinating Council's 2001 Outstanding Achievement Award. WSCC, the electric reliability organization for the 14 Western States and 2 Western Canadian Provinces, gives the award to 1 person each year. Mittelstadt is on WSCC's Planning Committee and was instrumental in the success of the Technical Review Team last summer. The team of Northwest transmission users and owners produced a consensus recommendation on high-priority transmission construction projects to preserve the reliability of the Bonneville transmission grid.

Media Interest: No.

Program Contact: Jeff Stier, 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Work on Secretarial Initiatives

Nothing to report.

V. Press Inquiries

Press Interested in Lawsuit Involving Bonneville DSI Customer:

Reporters from the *Seattle Times* are inquiring about a lawsuit bondholders have filed against Golden Northwest. The bondholders allege Golden Northwest's use of remarketing revenues to fund construction of certain energy resources violates the bond indenture. Bonneville is mentioned in the lawsuit because of its involvement in remarketing the federal power for Golden Northwest.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

Aftermath of West Coast Energy Crisis Subject of Front Page Story:

The Portland Oregonian ran a front-page story Sunday, December 9, on the financial aftermath of the West Coast energy crisis and Northwest drought. The story focused on the costs to utilities, such as Bonneville, of managing through the crisis, including long-term power purchase contracts which are now above market prices and the costs of Bonneville's load reduction agreements.

Media Interest: Yes.

Program Contact: Jeff Stier, 202-586-5640.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements and Publications

Nothing to report

VIII. Climate Change

Nothing to report.

IX. Disaster Assistance

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 9, 2009

I. Schedule

January 12 – 16: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

February 2 – 5: The Administrator will be in Washington, D.C. to meet with members of the Pacific Northwest congressional delegation. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA Seeks Agreements to Proposed Partial Settlement of Transmission Rate Case:

BPA is asking parties to its 2010-2011 transmission rate case to sign by January 16 a proposed partial settlement of the rate case. The Settlement Agreement, which BPA negotiated with parties to the 2010-2011 transmission rate case, settles all transmission rates and the two required ancillary services (Scheduling, System Control and Dispatch Service; and Reactive Supply and Voltage Control from Generation Sources Service), and includes changes to several other rate schedules. It does not include the remaining ancillary service rates or the control area service rates, which would remain active issues in the BPA rate case. If BPA concludes that there is sufficient consensus supporting the Settlement Agreement, it will execute the Settlement Agreement and issue an initial proposal as outlined in the agreement.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Wildlife Project Land Management Practices: On December 31, Rob Kavanaugh requested documents related to oversight of management of a wildlife acquisition funded by BPA.

Guidelines for Construction Near Transmission Lines: On January 2, Moinuddin Shaik of Eugene, Oregon, requested BPA guidelines for residential construction near transmission lines.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 16, 2009

I. Schedule

February 2 – 5: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. to meet with members of the Pacific Northwest congressional delegation. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA, Regional Partners Reviewing Energy Efficiency Steps: Working from recommendations of the Northwest Energy Efficiency Taskforce (NEET) which is co-chaired by the Administrator, BPA and other task force participants are evaluating preliminary taskforce recommendations to deliver new energy efficiency measures to the region. The NEET recommendations were completed on January 9 and the initial set of project priorities is expected to be developed by February 2.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Initial Comment on Transmission Projects to Improve Renewable Electricity

Delivery: BPA expects to have released for comment from customers and stakeholders a suite of transmission projects that respond to service requests filed in its initial transmission Network Open Season (NOS). BPA conducted the first-in-the-nation NOS in 2008 to resolve conflicts in the management of its queue of requests for transmission services. The NOS resulted in signed agreements from customers for 6,410 megawatts (MW) of transmission. Wind project interconnection requests made up 74 percent of the total. BPA will review comments to make final decisions to proceed with environmental review for the selected projects by February 13.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Renewable Resources Information Request: By the end of this week, BPA expects to issue a Request for Information (RFI) to learn the potential type and price range of new renewable electric generation in the Pacific Northwest. BPA will use the information gathered in the in the RFI to help plan for future low-cost, low emission generation in the region.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Increasing BPA's Borrowing Authority: Regional media are reporting the initiative of representatives of regional utilities, regulatory commissions, and the Northwest congressional delegation to support an increase in BPA's borrowing authority as part of a federal economic stimulus program.

VI. FOIA Requests

Fish Protection Information: On January 7, Douglas Albright of Winnebago, Illinois, requested information on fish protection guidelines referenced in meeting minutes of the Hydro Optimization Team.

Investigation Documents: On January 9, Richard Kuhn, of Portland, Oregon, requested information and documents related to an investigation involving a subdivision in Forest Grove, Oregon.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 23, 2009

I. Schedule

February 2 – 5: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C., to meet with members of the Pacific Northwest congressional delegation and Department of Energy officials. Deputy Administrator Steve Hickok will be acting.

February 12: The Administrator will participate in the first meeting of the Oregon Energy Planning Council. Oregon Governor Ted Kulongoski invited the Administrator to serve on the 11 member council to provide analysis, advice and assistance on energy planning for the state.

II. Departmental News

Energy Efficiency Program Development: On January 27, BPA will hold a kickoff meeting to begin a public process to define its role in achieving regional energy efficiency targets when its new power sale contracts begin in 2012. The public process will occur in two stages; the first defining a strategic direction and the second to develop more detail of the features of BPA's future program. BPA expects to conclude the first stage in April.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Science Bowl: BPA's regional Science Bowl begins with 64 middle school teams from Oregon and Washington competing on January 31. This is the highest number of teams that the agency has ever accepted for middle school. The high school competition has 64 entrants from the two states and will be held February 7. Sixteen colleges and universities will offer scholarships to the members of the top three high school teams. The winning teams also earn the right to compete at the national championships in Washington, D.C., later this spring.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 30, 2009

I. Schedule

February 2 – 5: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C., to meet with members of the Pacific Northwest congressional delegation and Department of Energy officials. Deputy Administrator Steve Hickok will be acting.

February 12: The Administrator will participate in the first meeting of the Oregon Energy Planning Council. Oregon Governor Ted Kulongoski invited the Administrator to serve on the 11 member council to provide analysis, advice and assistance on energy planning for the state.

February 25: The Administrator is Chairman of the United States Entity for the Columbia River Treaty. The United States Army Corps of Engineers makes the other component of the United States Entity. Each year, the Canadian and United States Entities meet with a technical review body established under the Treaty, the Permanent Engineering Board. This year, the meeting is in Vancouver, B.C., on February 25, to review the prior year's Treaty business. The Deputy Administrator will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Fatality at BPA Substation: Local media covered the discovery of the death of an individual at a substation co-owned by BPA near Pasco, Washington. On the morning of January 27, the man climbed into the substation and onto a transformer and apparently deliberately electrocuted himself. The man was not a BPA employee.

VI. FOIA Requests

Water Conservation Study: On January 22, Carol Gardner, of Gardner Resource Management Services in Portland, Oregon, requested a water conservation study that was performed at BPA facilities.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 6, 2009

I. Schedule

February 12: The Bonneville Power Administration (BPA) Administrator Steve Wright will participate in the first meeting of the Oregon Energy Planning Council. Oregon Governor Ted Kulongoski invited the Administrator to serve on the 11 member council to provide analysis, advice and assistance on energy planning for the state.

February 17: The Administrator will speak to the Northwest Industrial Energy Efficiency Summit in Portland. The meeting is being sponsored by the Department of Energy as part of its Save Energy Now Initiative to achieve a 25 percent reduction in industrial energy intensity over 10 years.

February 25: The Administrator is Chairman of the United States Entity for the Columbia River Treaty. The United States Army Corps of Engineers makes the other component of the United States Entity. Each year, the Canadian and United States Entities meet with a technical review body established under the Treaty, the Permanent Engineering Board. This year, the meeting is in Vancouver, B.C., on February 25, to review the prior year's Treaty business. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Transmission Services Network Open Season: On February 13, BPA expects to release its decision to proceed on design and environmental review of a set of new transmission facilities needed to serve requests for transmission service submitted in its 2008 Network Open Season (NOS). BPA conducted the 2008 NOS to provide a more effective long-term transmission queue management tool and determine which facilities may be needed to meet the demand for new transmission service requests. The NOS resulted in signed agreements from transmission customers for 6,410 MW of transmission, nearly three-quarters of which were for wind projects. BPA plans to launch the 2009 NOS this spring.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Initial Power and Transmission Rate Proposals: On February 10, BPA expects to publish the Federal Register Notice (FRN) announcing its initial proposals for power and transmission rates for the FY 2010 and 2011 rate period. BPA has been conducting public workshops for several months in preparation for its upcoming rate case, which is composed of wholesale power (WP-10) and transmission (TR-10) sub-dockets. This is the first time in several years that BPA is setting power and transmission rates for the same time period. In January, BPA tendered a Partial Settlement Agreement for the transmission sub-docket, which BPA has decided to execute.

Therefore, BPA's initial proposal in the transmission rate case will be based on the Partial Settlement. There has been no comparable settlement of power rates. Publication of the FRN initiates the ex parte rule that is applicable to all BPA and all DOE employees, and is effective until the Record of Decision is issued in July.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Quarterly Business Review Meeting: On February 10, BPA will hold a public Quarterly Business Review (QBR) meeting in Portland. The QBR is intended to be an ongoing forum of quarterly meetings that focus on BPA's finances with a review of current fiscal year actual financial results compared to financial forecasts, such as start-of-year targets and rate case forecasts. The 1st Quarter forecast for FY 2009 will also be shared.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Economic Stimulus Proposals: Regional media are reporting the inclusion of an increase in BPA's Treasury borrowing authority in both the Senate and House versions of national economic stimulus legislation.

VI. FOIA Requests

Compensation of Senior Executive Service Employees: On January 28, Mr. Dan Seligman, an attorney in Seattle, Washington, requested information about the compensation of each BPA Senior Executive Service employee from 2001 to 2005.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 13, 2009

I. Schedule

February 17: The Bonneville Power Administration (BPA) Administrator Steve Wright will speak to the Northwest Industrial Energy Efficiency Summit in Portland. The meeting is being sponsored by the Department of Energy as part of its Save Energy Now Initiative to achieve a 25 percent reduction in industrial energy intensity over 10 years. BPA has assisted with the planning and logistics for the conference.

February 20: The Administrator will participate in a press conference to be held by U.S. Senator Maria Cantwell of Washington. The press conference will be in Vancouver, Washington and will discuss economic recovery legislation.

February 25: The Administrator is Chairman of the United States Entity for the Columbia River Treaty. The United States Army Corps of Engineers makes the other component of the United States Entity. Each year, the Canadian and United States Entities meet with a technical review body established under the Treaty, the Permanent Engineering Board. This year, the meeting is in Vancouver, B.C., on February 25, to review the prior year's Treaty business. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Transmission Project Decisions: BPA expects to issue a news release to regional media about its decision to proceed on design and environmental review of a set of new transmission facilities needed to serve requests for transmission service submitted in its 2008 Network Open Season (NOS). BPA conducted the 2008 NOS to provide a more effective long-term transmission queue management tool and determine which facilities may be needed to meet the demand for new transmission service requests, much of which are for new wind generation.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 20, 2009

I. Schedule

February 25: The Bonneville Power Administration (BPA) Administrator Steve Wright is Chairman of the United States Entity for the Columbia River Treaty. The United States Army Corps of Engineers makes the other component of the United States Entity. Each year, the Canadian and United States Entities meet with a technical review body established under the Treaty, the Permanent Engineering Board. This year, the meeting is in Vancouver, B.C., on February 25, to review the prior year's Treaty business. Deputy Administrator Steve Hickok will be acting.

March 3: The Administrator will attend the meeting of the Western Energy Industry Leaders in San Francisco. The Deputy Administrator will be acting.

II. Departmental News
Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries

Transmission Project Decisions: BPA is conducting media outreach on its decision to begin construction on the McNary-John Day 500-kilovolt transmission line in Washington and Oregon. BPA is also working with the Department and Northwest congressional delegation members to inform the media about the effects of increased Treasury borrowing authority provided by the American Recovery and Reinvestment Act for improving BPA's ability to proceed with design and environmental review for new transmission capacity.

Proposed Short-Term Agreement with Montana Aluminum Smelter: Regional media are covering the proposed short-term service agreement between BPA, Montana-based Columbia Falls Aluminum Company (CFAC), and Flathead Electric Coop Inc. BPA and CFAC have been negotiating an agreement following the December, 2008 ruling of the United States Court of Appeals for the Ninth Circuit. The proposed amendment provides for BPA to monetize a power sale to CFAC in a manner consistent with the Court's opinion. The proposed agreement was made available for public review and comment through February 20.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 27, 2009

I. Schedule

March 3: Bonneville Power Administration (BPA) Administrator Steve Wright will attend the meeting of the Western Energy Industry Leaders in San Francisco. Deputy Administrator Steve Hickok will be acting.

March 10: The Administrator will be in Washington, D.C. to deliver testimony about BPA's Treasury borrowing authority at a hearing of the House Resources Committee Subcommittee on Water and Power. The Deputy Administrator will be acting.

II. Departmental News

BiOp Litigation: On March 6, the United States District Court for Oregon is scheduled to hear motions for summary judgment in the litigation over the Biological Opinion (BiOp) for the Federal Columbia River Power System. The BiOp was issued by National Oceanic and Atmospheric Administration Fisheries Service in May 2008. Parties to the litigation filed their initial motions in September and October. The United States Government filed its final brief in December.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

Conditional Firm Transmission Service: By next week BPA expects to make its first offers for Conditional Firm transmission service. Conditional Firm service is designed to offer long-term transmission over constrained paths when transmission inventory does not allow regular long-term service to be offered. If system reliability requires a curtailment, the conditional firm customers will be curtailed after non-firm transmission customers. Through this mechanism, BPA ultimately expects to make up to 1,200 megawatts of additional transmission service available without additional construction.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Announcement of Lyle Falls Fish Passage Project: BPA expects to issue a press release announcing its decision to proceed with construction of the Lyle Falls Fish Passage Project in Washington. The project is the first major capital project to proceed under the Columbia Basin Fish Accords signed with Columbia Basin tribes in 2008.

The project will reconstruct the existing fish passageway at Lyle Falls on the Klickitat River to improve the ability of adult salmon and steelhead to move into spawning areas in the river. The project will be managed by the Yakama Indian Nation.

VI. FOIA Requests

Request for Bid Information: On February 19, Les Joel, of Transformer Technologies in Salem, Oregon, requested documents related to BPA solicitation of bids for disposal of surplus transformers.

Request for Direct Service Industry Contracts: On February 23, Dan Seligman, of Seattle, Washington, requested information about contracts between BPA and two direct service industrial customers.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 6, 2009

I. Schedule

March 10: Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. to deliver testimony about BPA's Treasury borrowing authority at a hearing of the House Resources Committee Subcommittee on Water and Power Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Public Workshops on BPA's Energy Conservation Role: BPA has scheduled three public meetings on March 9, 10 and 16 for collaborative development of proposals for its role in energy efficiency after 2011. BPA completed a series of regional meetings in February to hear the views of customers and other interested participants on how BPA should implement its obligations for energy efficiency after its current power sales contracts expire. The three meetings in March are intended to produce one or more straw proposals for additional regional discussion.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Sea Lion Removal: Pacific Northwest media are covering the initiation of efforts to deter sea lions from preying on salmon below Bonneville Dam.

VI. FOIA Requests

Equipment Supply Bid Information: On February 25, Scott C. Johnson, of ABB, Inc. in Lake Oswego, Oregon, requested information related to a contract award for transmission service equipment.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 13, 2009

I. Schedule

March 23 – 24: Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

April 6: The Administrator will speak to a National Smart Grid Conference in Spokane, Washington. United States Senator Maria Cantwell is headlining the conference.

II. Departmental News

Integrated Program Review: On March 18, BPA will initiate an abbreviated Integrated Program Review (IPR) to provide regional stakeholders an opportunity to revisit proposed program spending levels for FY 2010 – 2011. These spending levels are included in the proposed power and transmission rates for those years. BPA committed to provide this opportunity in its closeout letter for the more detailed IPR conducted in 2008. The first meeting will be in Portland.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Workshop on Preliminary Needs Assessment: BPA will hold a public workshop on March 17 in Portland to discuss its Preliminary Needs Assessment. The assessment is the first step in BPA's Resource Program study, an analysis of any gaps in BPA's future power supply compared to its expected obligations.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 20, 2009

I. Schedule

March 23 – 24: Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

April 6: The Administrator will speak to a National Smart Grid Conference in Spokane, Washington. United States Senator Maria Cantwell is headlining the conference.

April 8: The Administrator will appear on a panel with Western Area Power Administration (WAPA) Administrator Timothy Meeks at a joint meeting in San Diego, California, of the Committee on Regional Electric Power Cooperation and the Western Interconnection Regional Advisory Board. The panel will discuss how BPA and WAPA will use Treasury borrowing authority provided through the American Recovery and Reinvestment Act. The Deputy Administrator will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Fire Information: On March 12, John R. Tait, an attorney in Lewiston, Idaho, requested records related to a fire in July, 2008, in Nez Perce County, Idaho.

Study of Past Variable Rates: On March 13, Dustin Till of Martin Law Group in Seattle, Washington, requested a BPA study that evaluated whether the variable rate charged to Direct Service Industry customers had recovered, on average, BPA's Industrial Firm Power rate between 1986 and 1996.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 27, 2009

I. Schedule

April 6: Bonneville Power Administration (BPA) Administrator Steve Wright will speak to a National Smart Grid Conference in Spokane, Washington. United States Senator Maria Cantwell is headlining the conference.

April 8: The Administrator will appear on a panel with Western Area Power Administration (WAPA) Administrator Timothy Meeks at a joint meeting in San Diego, California, of the Committee on Regional Electric Power Cooperation and the Western Interconnection Regional Advisory Board. The panel will discuss how BPA and WAPA will use Treasury borrowing authority provided through the American Recovery and Reinvestment Act. Deputy Administrator Steve Hickok will be acting.

April 15 - 16: The Administrator will attend the annual members' meeting of the Electric Power Research Institute (EPRI) in Atlanta, Georgia. At this meeting, the Administrator will assume BPA's seat on EPRI's Board of Directors. The Deputy Administrator will be acting.

II. Departmental News

Court Meeting on BiOp Litigation: On April 2, the United States District Court for Oregon will hold a closed-door meeting with parties to litigation over the Biological Opinion (BiOp) for the Federal Columbia River Power System (FCRPS). District Court Judge James A. Redden invited discussion of issues raised in the March 6, oral argument in the litigation.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Transmission Line Construction Information: On March 23, Stuart W. Smith of Miller and Associates in Lake Oswego, Oregon, requested correspondence between BPA and the Federal Aviation Administration related to construction of the Schultz-Wautoma transmission line.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 3, 2009

I. Schedule

April 6: Bonneville Power Administration (BPA) Administrator Steve Wright will speak to a National Smart Grid Conference in Spokane, Washington. United States Senator Maria Cantwell is headlining the conference.

April 8: The Administrator will appear on a panel with Western Area Power Administration's (WAPA) Administrator Timothy Meeks, at a joint meeting in San Diego, California, of the Committee on Regional Electric Power Cooperation and the Western Interconnection Regional Advisory Board. The panel will discuss how BPA and WAPA will use Treasury borrowing authority provided through the American Recovery and Reinvestment Act. Deputy Administrator Steve Hickok will be acting.

April 15 - 16: The Administrator will attend the annual members' meeting of the Electric Power Research Institute (EPRI) in Atlanta, Georgia. At this meeting, the Administrator will assume BPA's seat on EPRI's Board of Directors. The Deputy Administrator will be acting.

April 21 - 24: The Administrator will be in Washington D.C. to accept a 2008 Presidential Rank Award. The Deputy Administrator will be acting.

II. Departmental News

Integrated Program Review: On April 9, BPA will hold a second meeting for its abbreviated Integrated Program Review (IPR) to provide regional stakeholders an opportunity to revisit proposed program spending levels for FY 2010 - 2011. These spending levels are included in the proposed power and transmission rates for those years. BPA committed to provide this opportunity in its closeout letter for the more detailed Integrated Program Review conducted in 2008.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries
Nothing to report.

VI. FOIA Requests

Wind Project Agreement: On March 24, Cliff Graham of NextEra Energy Resources in Juno Beach, Florida, requested a 2008 shaping and storage agreement between BPA and Pacific Gas and Electric Company.

Wildlife Project Management: On March 25, Kristin Ruether of Advocates for the West in Boise, Idaho, requested materials related to BPA's funding and land management practices for the Blue Mountain Wildlife Area in northeastern Oregon.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 10, 2009

I. Schedule

April 15 - 16: Bonneville Power Administration (BPA) Administrator Steve Wright will attend the annual members' meeting of the Electric Power Research Institute (EPRI) in Atlanta, Georgia. At this meeting, the Administrator will assume BPA's seat on EPRI's Board of Directors. Deputy Administrator Steve Hickok will be acting.

April 21 - 24: The Administrator will be in Washington D.C. to accept a 2008 Presidential Rank Award. The Deputy Administrator will be acting.

May 8: The Administrator will join other Federal, state, and tribal parties to the 2008 Columbia Basin Fish Accords for an anniversary commemoration event.

II. Departmental News

Proposed Memorandum of Agreement with the State of Washington: BPA, the U.S. Army Corps of Engineers and the Bureau of Reclamation have proposed to enter into a Memorandum of Agreement (MOA) with the State of Washington to establish a 9-year commitment for habitat projects in the Columbia River estuary. The purpose of the MOA is to help strengthen populations of salmon and steelhead listed for protection under the Endangered Species Act. Public comment on the proposed MOA is open through May 4.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Smart Grid Workshop: On April 14, BPA and the Pacific Northwest National Laboratory will host a public workshop in Portland, to discuss a regional Smart Grid demonstration project proposal for funding under the American Recovery and Reinvestment Act.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Wahkiakum County, Washington, Land Acquisition: Local media are covering the contribution of BPA to the acquisition of 305 acres of land in Wahkiakum County, Washington for conservation purposes. BPA is sharing acquisition costs with the U.S. Fish and Wildlife Service and the State of Washington's Salmon Recovery Board. The land will be managed by the Columbia Land Trust to protect a significant spawning area for chum salmon.

VI. FOIA Requests

Transmission Investment Information: On March 27, Grace Gilmore of the Montana Department of Revenue requested information about the value of BPA investments in high voltage transmission lines in Montana.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 17, 2009

I. Schedule

April 21 – 28: Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington D.C. to accept a 2008 Presidential Rank Award. The Administrator expects to meet with Department officials and staff for the Council on Environmental Quality. Deputy Administrator Steve Hickok will be acting.

May 8: The Administrator will join other Federal, state, and tribal parties to the 2008 Columbia Basin Fish Accords for an anniversary commemoration event.

II. Departmental News

New Call for Transmission Service Requests: BPA is launching its second Network Open Season to obtain requests and financial commitments for new transmission service across BPA's transmission network. The Network Open Season is BPA's recently adopted approach to managing the long-term firm transmission requests and for determining any network transmission facility reinforcements that might be required to accommodate the requests. BPA first tested this approach in 2008 with two significant outcomes: first, that BPA could immediately offer 1,834 megawatts of transmission service without new construction, and second, that BPA could move ahead with construction of the McNary-John Day transmission line and NEPA for three new high-voltage transmission projects. These network reinforcements, if all built, would provide 3,585 megawatts of long-term transmission service, including 2,750 megawatts of renewable electric generation. Since the completion of the 2008 Network Open Season, BPA has received another 80 requests for approximately 5,443 megawatts of new transmission service.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Workshop on BPA's Future Role in Energy Efficiency: On April 20, BPA will hold a meeting in Portland for further discussion with interested regional parties of its role in achieving regional energy efficiency targets when its new power sale contracts begin in 2012. BPA will offer preliminary comments on a straw proposal developed by a collaborative working group and provide the opportunity for more discussion of solutions to key issues.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries

Wind Integration: A reporter for the New York Times will visit BPA facilities in Portland and Vancouver, Washington, on April 23 and will interview the Administrator. The story will focus on BPA and Northwest efforts to interconnect and manage the large amounts of wind energy that continues to grow in the region.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

April 24, 2009

I. Schedule

April 21 – 28: Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington D.C. to accept a 2008 Presidential Rank Award. The Administrator will meet with Department and other Administration officials. Deputy Administrator Steve Hickok will be acting.

May 8: The Administrator will join other Federal, state, and tribal parties to the 2008 Columbia Basin Fish Accords for an anniversary commemoration event.

May 14: The Administrator will join a panel discussion at a legal seminar on “Fisheries and Hatcheries: Legal and Regulatory Frameworks” in Seattle, Washington. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

Request for Interest for Smart Grid Proposal: BPA has released a request for interest from regional utilities to partner with BPA on a proposal to the Department of Energy for a Smart Grid demonstration project.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Deputy Administrator to Retire: BPA Deputy Administrator Steve Hickok will retire on May 1. Mr. Hickok will have completed 38 years of Federal service.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Conditional Firm Transmission Service: BPA is announcing to regional media that it has begun making its first offers for Conditional Firm transmission service. Conditional Firm service is an innovation designed to offer long-term transmission over constrained paths when transmission inventory does not allow regular long-term service to be offered. BPA expects that this service will allow approximately 1,300 megawatts of new transmission to be made available, including for new wind generation, without having to wait for expansions or upgrades of its transmission system.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 1, 2009

I. Schedule

May 8: Bonneville Power Administration (BPA) Administrator Steve Wright will join other Federal, state, and tribal parties to the 2008 Columbia Basin Fish Accords for an anniversary commemoration event. The celebration will be held near Dallesport, Washington, the site of the original signings of the Accords. The regional executives of the U.S. Army Corps of Engineers and the Bureau of Reclamation will join the Administrator on the program. The Chairs of the tribal councils of the tribes who are signatories to the Accords will participate as will representatives of the states who are parties.

May 14: The Administrator will join a panel discussion at a legal seminar on "Fisheries and Hatcheries: Legal and Regulatory Frameworks" in Seattle, Washington. Chief Operating Officer Anita Decker will be acting.

May 19: The Administrator will speak to the Annual Meeting of the Northwest Public Power Association in Boise, Idaho. Acting Deputy Administrator Allen Burns will be acting.

II. Departmental News

Acting Deputy Administrator Named: Allen Burns, currently BPA's Vice President for Bulk Marketing, has been named Acting Deputy Administrator, effective May 4. Burns has 34 years of experience with BPA. Current BPA Deputy Administrator Steve Hickok will retire on May 1. Mr. Hickok will have completed 38 years of Federal service.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

BPA Announces Local Contract for Supply of New Transmission Line: BPA is announcing a contract with an aluminum supplier in Roseburg, Oregon, for its McNary-John Day transmission line. The new transmission line will add significant capacity for at least 700 megawatts of wind-generated electricity. The \$9.5 million contract is for aluminum conductors for the line.

Transmission Succession Planning: BPA responded to questions from a reporter for National Public Radio for a story about how the electric utility industry is preparing for a retiring workforce in the transmission trades. The story was expected to air on “All Things Considered” on April 30.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 8, 2009

I. Schedule

May 14: The Bonneville Power Administration (BPA) Administrator Steve Wright will join a panel discussion at a legal seminar on “Fisheries and Hatcheries: Legal and Regulatory Frameworks” in Seattle, Washington. Chief Operating Officer Anita Decker will be acting.

May 19: The Administrator will speak to the Annual Meeting of the Northwest Public Power Association in Boise, Idaho. Acting Deputy Administrator Allen Burns will be acting.

II. Departmental News

BPA Joins Western Joint Initiative Partners to Improve Dynamic Scheduling Capabilities: BPA has signed an Agreement of Interest with other transmission operators in the Western Interconnection to develop real-time communications capabilities that will improve the region’s ability to schedule electricity generation from dispatchable sources, including renewable resources. The goal of the initial effort is to develop a communications protocol that will allow participating entities from a wide geographic area to schedule capacity and energy within the operating hour. In this way, geographically diverse systems could support a greater amount of variable generation. Parties who are interested in participating are asked to sign the Agreement of Interest by May 8.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Northwest Governors Writing in Support of Columbia River Biological Opinion: Governor Brian Schweitzer of Montana and Governor Chris Gregoire of Washington have sent letters to the Chair of the Council on Environmental Quality in support of the 2008 Biological Opinion (BiOp) for the Federal Columbia River Power System (FCRPS). The BiOp remains under litigation in the United States District Court for Oregon and the Department of Justice has informed the Court that the Administration would like 30 to 60 days to review the BiOp. The Governors’ letters emphasize the lengthy regional collaboration that occurred to support the BiOp.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Columbia Basin Fish Accords Commemoration: Keying off of the May 8 commemoration by state, tribal and Federal parties to the Columbia Basin Fish Accords, BPA and tribal media staff are identifying local examples of watershed restoration projects for regional media outlets. The chosen projects exemplify the work being conducted for fish and wildlife restoration under the 10-year agreements.

Role of Northwest Hydropower: Oregon Public Broadcasting is researching a series of reports on the Northwest's energy future. As part of this research, a reporter visited BPA this week to ask about the value, complexities and challenges of operating the FCRPS.

VI. FOIA Requests

Technical Specifications: On April 28, Helen Turner of Puget Sound Energy in Bellevue, Washington, requested BPA's technical specifications for wood pole structures.

Consulting Contracts: On April 28, Dan Seligman, an attorney in Seattle, Washington, requested documents about contracts BPA may have related to guidance for relationships with Congress or the Administration.

Contract Documents: On April 29, Monica Jones of Input in Reston, Virginia requested materials related to a BPA contract with Dynamic Systems.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 15, 2009

I. Schedule

May 19: The Bonneville Power Administration (BPA) Administrator Steve Wright will speak to the Annual Meeting of the Northwest Public Power Association in Boise, Idaho. Acting Deputy Administrator Allen Burns will be acting.

II. Departmental News

BPA Reviews State of Wind Integration Accomplishments: BPA is sending a letter to its customers and other interested parties describing its current actions to integrate new wind generation into its transmission system and to invite public discussion of these activities on May 29. BPA has added more than 2,000 megawatts of wind power to its transmission system, including six wind farms that have been added in the last five months. BPA is meeting this rapid growth in wind energy through expanding use of existing transmission, adding new transmission, and creating new operational tools.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Executive Elected to WECC Board: Brian Silverstein, BPA's Acting Senior Vice President for Transmission, has been elected to a three-year term on the Board of Directors of the Western Electricity Coordinating Council (WECC). WECC coordinates and promotes electric system reliability in the Western United States. WECC provides a forum for its members to coordinate West-wide transmission expansion and planning with an emphasis on meeting renewable energy goals.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Women in Trades Career Fair: BPA is a cosponsor of the Women in Trades Fair on May 14 – 16 in Portland. BPA volunteers will lead workshops and equipment demonstrations to encourage young women to consider careers in the electrical trades. Over 1,500 middle and high school students will participate in the event.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Meeting material: On May 6, Douglas Albright of the Actuation Test Equipment Company in Winnebago, Illinois, requested minutes and meeting materials related to the Hydrosystem Optimization Team.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 22, 2009

I. Schedule

May 27: The Bonneville Power Administration (BPA) Administrator Steve Wright will accompany senior officials from the Department of Commerce and the Council on Environmental Quality on a tour of Columbia River dams and habitat restoration projects.

II. Departmental News

Public Open House for New Transmission Projects: BPA will hold an open house on May 26 in Vancouver, Washington, to inform interested members of the public about four transmission project proposals. Bonneville will begin construction of the first project this summer and is beginning the planning and environmental review for the other three this year. In total, the four projects would add more than 225 miles of high-voltage transmission to the Pacific Northwest's Federal transmission system and deliver about 3,700 megawatts of energy to the region, including 2,800 megawatts from new renewable electric generation.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Wind Integration Team Public Meeting: BPA's Wind Integration Team (WIT) will hold a public meeting on May 29 in Portland to discuss a proposed two-year work plan to develop improved operational tools for large-scale wind integration. The WIT works collaboratively with regional utilities and wind project owners.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

District Court Communication in Biological Opinion Court Case: Regional media are covering a letter sent to the United States Department of Justice in the litigation over the Biological Opinion (BiOp) for the Federal Columbia River Power System by United States District Court Judge James A. Redden. Judge Redden listed a number of questions about the assumptions supporting the BiOp and asked for consideration of additional Federal actions.

BPA Executive Featured on Public Radio Program on Wind Power: On May 14, Oregon Public Radio's "Think Out Loud" program featured a program on wind integration in the Pacific Northwest's electric system. BPA's Executive Vice President for Corporate Strategy, Elliot Mainzer, was featured on the program to discuss current techniques and future possibilities for increasing the capabilities of the transmission system to support wind energy development. Representatives of the Columbia River Inter-Tribal Fish Commission and the Renewable Northwest Project also participated.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 29, 2009

I. Schedule

June 9: The Bonneville Power Administration (BPA) Administrator Steve Wright will speak to the annual meeting of the Washington Rural Electric Cooperative Association in Yakima, Washington. Acting Deputy Administrator Allen Burns will be acting.

II. Departmental News

New Call for Transmission Service Requests: On June 1, BPA will launch its second Network Open Season (NOS) to obtain requests and financial commitments for new transmission service across BPA's transmission network. BPA adopted the NOS approach in 2008 to manage its queue of long-term firm transmission requests and for determining any network transmission facility reinforcements that might be required to accommodate the requests. BPA's first test of this approach resulted in two significant outcomes: first, that BPA could immediately offer 2,059 megawatts of transmission service without new construction, and second, that BPA could move ahead with further planning and review for four potential new high-voltage transmission projects. Since the completion of the 2008 NOS, BPA has received another 80 requests for approximately 5,443 megawatts of new transmission service.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Western Transmission "Joint Initiative" Meeting: As a member of the ColumbiaGrid sub-regional transmission planning entity, BPA will participate in discussions on June 1 in Boise, Idaho, about how to better coordinate operations across neighboring transmission systems. A higher degree of operational coordination could support more intermittent generation on the Western transmission system and reduce its costs. Members of ColumbiaGrid are joining members of WestConnect and the Northern Tier Transmission Group in this effort.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

BPA Transmission Expansion: The Portland Oregonian newspaper ran an extensive article about how the increase in BPA's Treasury borrowing authority that was part of the American Recovery and Reinvestment Act is allowing BPA to plan for four projects to

expand its transmission system. The article noted that the transmission expansion will create jobs both while the projects are under construction and in the renewable energy industry.

VI. FOIA Requests

Request for Knowledge, Skills, and Abilities Statements: On May 20, Philip D. Manske of Oak Creek, Wisconsin, requested copies of Knowledge, Skills, and Abilities statements submitted by applicants who were hired for a variety of BPA job vacancies.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 5, 2009

I. Schedule

June 9: The Bonneville Power Administration (BPA) Administrator Steve Wright will speak to the annual meeting of the Washington Rural Electric Cooperative Association in Yakima, Washington. Acting Deputy Administrator Allen Burns will be acting.

June 15: The Administrator will attend the annual meeting of the Western Governors Association in Park City, Utah. The Acting Deputy Administrator will be acting.

June 16: The Administrator will speak at the National Energy and Utility Affordability Conference in Portland.

II. Departmental News

Rate Case Oral Arguments: On June 10, the Administrator will hear oral arguments from parties to BPA's power and transmission rate cases for Fiscal Years 2010 and 2011.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Request for Communications with Administration and Congress: On May 26, Todd True, of Earthjustice, requested from BPA, the National Marine Fisheries Service, the U.S. Army Corps of Engineers, and the Bureau of Reclamation all documents, records, and communications with the Council of Environmental Quality and Members of Congress concerning consideration of the Biological Opinion for the Federal Columbia River Power System.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 12, 2009

I. Schedule

June 15: Bonneville Power Administration (BPA) Administrator Steve Wright will attend the annual meeting of the Western Governors Association in Park City, Utah. Acting Deputy Administrator Allen Burns will be acting.

June 16: The Administrator will speak at the National Energy and Utility Affordability Conference in Portland.

II. Departmental News

Acceleration of Wind Integration Tasks: BPA expects to release a revised work plan for its wind integration activities based on priorities established with regional utilities, wind developers and other interested parties. BPA believes that accelerated schedules for improved wind forecasting, within-hour scheduling, and establishing consistent operating procedures with neighboring transmission operators will support reducing wind integration costs and improve access to generating reserves that support wind generation that accesses BPA's transmission system.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 19, 2009

I. Schedule

Nothing to report.

II. Departmental News

Possible Asbestos Contamination: The Bonneville Power Administration (BPA) is completing inspections of a number of substations it closed to staff as a safety precaution after learning that a contractor's work may have released asbestos at one of the sites. BPA has completed inspections at all substations where the contractor performed similar work.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Combine Hills Wind Interconnection Starts: BPA is initiating construction of a new connection to its transmission system of an additional 63 megawatts of wind generation from the Combine Hills Wind Project near Milton-Freewater, Oregon. The project involves upgrading the capacity of BPA's transmission line, replacing poles and conductors, and increasing the size of the transmission line right-of-way.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

BPA Funds Complete Installation of Energy-Saving Light Bulbs on Tribal

Reservation: Oregon Public Broadcasting is developing a story on the first-in-the-nation complete replacement of lighting in homes and facilities on the Burns-Paiute Reservation near Burns, Oregon. BPA funded the replacement of traditional lighting with compact-fluorescent light bulbs throughout the reservation for an estimated energy savings of 75 percent. The project was funded through BPA's energy efficiency program. BPA will also distribute information on the project to other regional media.

VI. FOIA Requests

Congressional Staff Details: On June 11, Mr. Dan Seligman, an attorney in Seattle, Washington, requested information on BPA employees who have been detailed to Congressional staffs.

Administrator's Expense Submittals: On June 11, Mr. Seligman requested credit card and expense statements submitted by the Administrator for travel and related costs.

Contract Information: On June 11, Mr. Seligman asked for contract details and documents related to services provided to BPA by Washington2 Advocates.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 26, 2009

I. Schedule

July 10: The Bonneville Power Administration (BPA) Administrator Steve Wright will attend a meeting of the Western Energy Industry Leaders in Albuquerque, New Mexico. Acting Deputy Administrator Allen Burns will be acting.

II. Departmental News

Rate Case Workshop: On June 29, BPA will hold a workshop for parties to its transmission and power rates for Fiscal Years (FY) 2010 – 2011. BPA issued its Draft Record of Decision on June 23. The workshop is to discuss the preliminary rate levels that result from the draft decisions. In addition, BPA will discuss its analysis of wind operation limits that could reduce the amount of reserve generating capacity BPA must maintain. Depending on the response from wind generators and other parties, BPA expects to be able to reduce the wind integration rate it initially proposed.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Transmission Project Scoping Meetings: BPA will hold a public scoping meeting on June 30 in The Dalles, Oregon, and on July 1 in Goldendale, Washington, to discuss routes and construction schedules for BPA's proposed Big Eddy – Knight 500 kilovolt transmission line. BPA received transmission service requests for the line as a result of its 2008 Network Open Season, a majority of which are for service to new wind generation.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Capital Planning: BPA will hold a public meeting on June 30 in Portland to discuss its approaches for ensuring continued long-term access to capital. The meeting is a follow-on to the Financial Plan process conducted in FY 2008.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Boston Globe Interest in Recovery Act Borrowing Authority: A reporter from the Washington, D.C., bureau of the Boston Globe has contacted BPA for a story on BPA's use of additional Treasury borrowing authority provided in the American Recovery and Reinvestment Act. BPA's media team informed the Department's Public Affairs staff of this interest the week of June 15.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
July 2, 2009

I. Schedule

July 10: The Bonneville Power Administration (BPA) Administrator Steve Wright will attend a meeting of the Western Energy Industry Leaders in Albuquerque, New Mexico. Acting Deputy Administrator Allen Burns will be acting.

July 15: The Administrator will speak to the annual conference of the Pacific NorthWest Economic Region in Boise, Idaho. The Acting Deputy Administrator will be acting.

II. Departmental News

BPA “Administrator’s Preface” in Draft Rate Decision Explaining Wind Rates:

BPA released its Draft Record of Decision (ROD) for its 2010-2011 power and transmission rates. With the Draft ROD, the Administrator included a preface that focused on BPA’s proposed rate for integrating wind generation on its transmission system. The Administrator noted the significant progress made by wind generators to improve their scheduling accuracy and the resulting reductions in BPA’s forecast of costs. This has allowed BPA to reduce its proposed rate and the Administrator said that further improvements could further reduce the rate. The Administrator said these factors improve BPA’s ability to support more wind generation on its system.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Wind Generation Response Shows Improvement: BPA expects to inform regional media about the response of wind generators during a weather event on June 24. A cold front passing through the Pacific Northwest allowed wind generation connected to BPA’s transmission system to rapidly increase from 300 megawatts to 1,700 megawatts in a very short period of time. Wind generators were able to match their forecasts of this increase much more closely to actual generation than they have been able to do in the past. BPA is citing this as a very positive step by the wind operators. If this scheduling practice continues, it could substantially reduce BPA’s wind integration costs in the future and support more wind generation connecting to BPA’s system.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

DOE WEEKLY REPORT
JULY 8, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Transmission Service Requests Submitted: The Bonneville Power Administration's (BPA) second Network Open Season (NOS) window for new transmission service requests resulted in 98 service requests totaling 5,542 megawatts. Of that, approximately 3,800 megawatts would be from wind generation. The NOS is BPA's approach to manage long-term firm transmission requests and for determining any network transmission facility reinforcements that might be required to accommodate the requests. BPA will now offer each customer with one or more transmission service requests a Precedent Transmission Service Agreement, which, if executed, will contractually obligate the customer to take transmission service on a specific date for a specified period of time. Once these agreements are executed or declined, BPA will determine the amount of currently available transmission capacity it can use to offer service immediately, then proceed with a Cluster Study to determine whether any system upgrades or new transmission projects are necessary to provide additional service, conduct a financial analysis of the Cluster Study results and then finally make a rate determination based on the financial analysis and a regional economic benefit analysis. The entire process for the 2009 NOS will last 12 months with a decision in late May 2010.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Responses to BPA Rate Case Draft Record of Decision: BPA will be considering responses by parties to its Fiscal Years 2010 – 2011 power and transmission rate cases prior to issuing its Final Record of Decision (ROD) in late July. BPA specifically asked parties with interest in its rates for Wind Balancing Services to respond to the Draft ROD as to the scheduling accuracy assumption they support for setting the Wind Balancing Services rate and, therefore the amount of reserves that will be provided during the rate period.

III. Public Events/Meetings

Central Ferry – Lower Monumental Transmission Line Scoping: On July 13, BPA will hold a public scoping meeting in Starbuck, Washington, to discuss routing alternatives for its proposed 500-kV transmission line in southeastern Washington State. The proposed line is needed to respond to requests for transmission capacity, much of it for new wind generation, in that area. BPA is accepting comments on the proposed project and the scope of its Environmental Impact Statement through August 3.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

July 10: BPA Administrator Steve Wright will attend a meeting of the Western Energy Industry Leaders in Albuquerque, New Mexico. Acting Deputy Administrator Allen Burns will be acting.

July 14 – 16: The Northwest Power and Conservation Council (Council) will continue to deliberate and may release for comment its draft Sixth Power Plan. BPA is developing its 2009 Resource Program in coordination with the Council's planning process. The Council's Power Plan examines power load growth and resources for the Pacific Northwest as a whole. BPA's Resource Program examines how the Federal Columbia River Power System can be expected to meet BPA's projected power supply obligations. If and when BPA actually acquires resources, it intends to do so consistent with the Council's plan.

July 15: The Administrator will speak to the annual conference of the Pacific NorthWest Economic Region in Boise, Idaho. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
JULY 15, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

New Transmission Project Siting Coordination: The Bonneville Power Administration (BPA) participated in a meeting of the Washington Energy Facilities Site Evaluation Council to discuss a coordinated review process between the state's agencies and BPA for three proposed new high-voltage transmission projects. BPA is proposing the three projects to expand capacity for electricity generation in the Pacific Northwest, much of it for new wind generation, and to improve system reliability. The cooperation of the Washington and Oregon energy siting agencies will help coordinate state review and comment as BPA conducts its environmental review of alternative routes. Both states are developing work plans with BPA to facilitate an efficient review schedule.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Power and Transmission Rates: On July 21, BPA expects to issue its Final Record of Decision, including the final proposed power and transmission rates for Fiscal Years 2010 and 2011. On July 31, BPA will submit the final proposed rates and supporting records to the Federal Energy Regulatory Commission for interim approval to be effective October 1, 2009.

Notice of Intent for Klickitat Fisheries Projects: On July 17, BPA will publish its notice of intent to begin the preparation of an Environmental Impact Statement for the Klickitat Hatchery Program. The proposed program will upgrade and potentially expand fish production facilities in the Klickitat River subbasin in Washington State. The proposed changes are to increase the abundance of naturally spawning salmon and steelhead and increase harvest opportunities for Yakama Nation tribal members and others. BPA will hold public scoping meetings on the proposal on August 4 in Lyle, Washington.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

July 15: BPA Administrator Steve Wright will speak to the annual conference of the Pacific NorthWest Economic Region in Boise, Idaho. Acting Deputy Administrator Allen Burns will be acting.

July 28 – 31: The Administrator will be in Washington, D.C. to meet with Department officials. Chief Operating Officer Anita Decker will be acting.

VII. Potential or Expected Press Stories

Wind Integration: BPA has had media interest in its initiatives to integrate the growing amount of Pacific Northwest wind generation into its transmission system. Portland and Pendleton, Oregon newspapers are working on stories on the topic and the North American Windpower Magazine interviewed BPA's Senior Vice President for Transmission Services for a story planned for publication in August.

Wallowa River Restoration: BPA led a media tour of a BPA-funded project to shift a section of the Wallowa River into a more natural river channel to restore fish habitat. A crew from Oregon Public Broadcasting's Oregon Field Guide filmed activities at the project site near Enterprise, Oregon. Reporters from The Oregonian, La Grande Observer, and Wallowa County Chieftain also visited and photographed the activities.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

Concurrence package (ES 2009-008052) on the BPA Administrator's appointment to the EPRI board: BPA is awaiting Secretarial approval of ethics documentation necessary to be in place prior to the Administrator's appointment to the Electric Power Research Institute (EPRI) board. The EPRI board meeting is August 3. BPA understands that all required DOE concurrences have been achieved.

DOE WEEKLY REPORT
JULY 22, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Aluminum Smelter Service Contracts: The Bonneville Power Administration (BPA) and two aluminum direct service industries have finished negotiating terms for drafting a long-term service contract. BPA is releasing for public review and comment two separate options for the terms of potential new service to Alcoa, Inc., for its plant in Washington State that employs over 500 workers, and Columbia Falls Aluminum Company for its plant in Montana that employs over 80 workers. Both term sheets reflect a proposed power sale at the Industrial Firm Power rate that is sufficient to meet a portion of the smelters' loads. The proposed power sales would begin October 1, 2009, and extend through either September 30, 2013, or September 30, 2016, depending on the option selected.

Power and Transmission Rates: The Administrator expects to issue BPA's Final Record of Decision on the Fiscal Years 2010 and 2011 wholesale power and transmission rates. The final rate case record will be filed with the Federal Energy Regulatory Commission before August 1, 2009.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Big Eddy – Knight Transmission Line Scoping: BPA is completing the public scoping process for an Environmental Impact Statement for its proposed Big Eddy – Knight transmission line. The proposed 500-kilovolt line would extend from about 26 miles to 28 miles from near The Dalles, Oregon to northwest of Goldendale, Washington. Through studies completed following its 2008 Network Open Season, BPA determined that constructing the line could add capacity to meet transmission service requests including for new wind generation.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

July 28 – 31: BPA Administrator Steve Wright will be in Washington, D.C. to meet with Department officials. Chief Operating Officer Anita Decker will be acting.

August 3 – 5: The Administrator will attend the board meeting of the Electric Power Research Institute in Los Angeles. Acting Deputy Administrator Allen Burns will be acting.

August 17 – 21, 24, 25, and 28: The Administrator will be on annual leave. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

Habitat Restoration: The Portland Oregonian has contacted BPA for a story on the role that restoring habitat plays in rebuilding Columbia River salmon populations. BPA funds many habitat restoration projects as part of its strategy for protecting and mitigating fish and wildlife species affected by the Federal Columbia River Power System.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
JULY 29, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Filing of Power and Transmission Rates: The final rate case record for the Bonneville Power Administration's (BPA) Fiscal Years 2010 and 2011 wholesale power and transmission rates will be filed with the Federal Energy Regulatory Commission before August 1, 2009. The Administrator released his final Record of Decision (ROD) on July 21. The final ROD set an average power rate increase of 7 percent, down from the initial proposal of 9.4 percent. The final ROD instituted a wind integration rate of \$1.29 per kilowatt month, significantly reduced from the initial rate proposal of \$2.72 per kilowatt month. The American Wind Energy Association expressed appreciation to BPA for its efforts to mitigate the costs of wind integration.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Completion of scoping for Central Ferry Transmission Line: On August 3, BPA will complete the public scoping process for an Environmental Impact Statement (EIS) for its proposed Central Ferry transmission line. The new 500 kilovolt line will be approximately 40 miles long in southeast Washington. Through studies completed following its 2008 Network Open Season, BPA determined that constructing the line could add capacity to meet transmission service requests including for new wind generation.

III. Public Events/Meetings

Scoping Meetings for Klickitat Fisheries Projects: On August 4, BPA will hold public scoping meetings in Lyle, Washington, for the preparation of an EIS for the Klickitat Hatchery Program. The proposed program will upgrade and potentially expand fish production facilities in the Klickitat River subbasin in Washington State. The proposed changes are to increase the abundance of naturally spawning salmon and steelhead and increase harvest opportunities for Yakama Nation tribal members and others.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

July 28 – 31: BPA Administrator Steve Wright will be in Washington, DC, to meet with Department officials. Chief Operating Officer Anita Decker will be acting.

August 3 – 5: The Administrator will attend the board meeting of the Electric Power Research Institute in Los Angeles. Acting Deputy Administrator Allen Burns will be acting.

August 17 – 21, 24, 25, and 28: The Administrator will be on annual leave. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

Wind Forecast Competition: BPA is announcing a competition it is sponsoring between two research teams to design the best system for predicting wind conditions in the Pacific Northwest. Better forecasts benefit wind generators and regional power customers by helping anticipate sudden changes in wind energy generation. Improved wind forecasting allows BPA to maintain less hydroelectric energy in reserve and reduces costs for wind balancing services.

VIII. Legislative Activity

IX. Senior Personnel Announcements

Senior Vice President Announces Retirement: Paul Norman, BPA's Senior Vice President for Power Services, announced that he will retire on September 12. Mark Gendron, currently Vice President for Northwest Requirements Marketing, will serve as acting Senior Vice President for Power Services beginning September 14.

X. Issues for Attention

DOE WEEKLY REPORT
AUGUST 5, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Power System Performs Well During Heat Wave: The Federal Columbia River Power System performed well during last week's record-breaking hot weather while continuing to provide hydro operations for juvenile fish passage at the dams required under the Endangered Species Act. BPA coordinated well in advance with neighboring balancing authorities to ensure reliable performance. On July 28, BPA hit a new system peak for summer load of 8123 megawatts.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

First Sockeye Salmon Return to Idaho: The first Snake River Sockeye have started returning to Idaho's Redfish Lake. This year's return is expected to top last year's record-breaking return. Last year, approximately 900 sockeye passed Lower Granite Dam and 650 made it to Redfish Lake 400 miles upstream of the Dam. This year, more than 1100 sockeye have passed the Dam, so the return is expected to be even larger. BPA has funded the recovery program for Snake River Sockeye since 1991 when only one Sockeye returned to Redfish Lake.

Review of Superfund Site Underway: BPA has begun a statutory five-year review of the Superfund cleanup conducted at its Ross Complex, located in Vancouver, Wash. The site was removed from EPA's National Priorities List (Superfund) September 23, 1996. Prior reviews concluded that the remedies remained effective. The review is scheduled to be completed by August 15, 2009, and a final report issued.

Power Plan may be Released for Comment: At its meeting next week, the Northwest Power and Conservation Council (Council) may release for comment its draft Sixth Power Plan. BPA is developing its 2009 Resource Program in coordination with the Council's planning process. If and when BPA actually acquires resources, it intends to do so consistent with the Council's plan.

Fish Operations Modified in Transmission Emergency: BPA operators declared a transmission system emergency at a BPA transmission facility near Tri-Cities, Washington requiring changes in operations at Ice Harbor Dam for a total of three operating hours July 31 and August 2. Due to a transformer that was out of service at the BPA's Sacajewa facility, the 2009 Fish Operations Plan under the FCRPS Biological Opinion (BiOp) recognized the potential need for these operations. However, since the operations were a variance from the court-ordered operations, the Department of Justice will report the event to U.S. District Court Judge James Redden, the judge responsible for the FCRPS BiOp litigation.

III. Public Events/Meetings

Public Meeting on Environmental Impact Statement (EIS) for Tribal Salmon Program:

BPA is preparing an EIS that analyzes the reintroduction of coho salmon by the Yakama Nation into mid-Columbia River basin tributaries in Chelan and Okanogan counties, Washington. Two open-house style public meetings will be held Aug. 20 in Leavenworth, WA, and Aug. 21 in Twisp, WA. Interested parties may review and comment on the EIS through Sept. 15, 2009.

IV. Recovery Plan

BPA to Participate in Smart Grid Initiative: BPA sent a letter July 27 to the Western Electric Coordinating Council (WECC) announcing its intention to participate in WECC's Synchro-Phasor project. The WECC initiative is a coordinated interconnection-wide effort to exchange operational real-time phasor data among reliability functions. The initiative is in response to the Department of Energy's Smart Grid Investment Program.

V. Reform-Based Actions

VI. Meetings/Events

August 17 – 21, 24, 25, and 28: BPA Administrator Steve Wright will be on annual leave. Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
AUGUST 12, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Energy Efficiency Achievements Announced: The Northwest Energy Efficiency Alliance (NEEA) announced this week that the region has achieved 556 average megawatts of energy efficiency in 2008, enough to power the cities of Tacoma and Spokane for an entire year. The Bonneville Power Administration (BPA) is a major funding source for NEEA, a non-profit organization working to encourage the development and adoption of energy-efficient products and practices in targeted markets. Through market transformation efforts such as NEEA and many other programs in the residential, commercial, industrial and agricultural sectors, the Northwest Power and Conservation Council estimates that the region has acquired more than 3330 aMW of conservation, or enough to power the city of Seattle three times over.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Nuclear Plant Outage: The Columbia Generating Station nuclear plant in Washington experienced an outage August 5. It is expected to be back on line sometime next week. Fortunately, temperatures in the Northwest are considerably cooler and there is plenty of power supply. BPA received media calls asking about power replacement from the Associated Press, Northwest Public Radio, Tri-City Herald, Reuters and others.

Ninth Circuit Denies Rehearing, Provides Some Clarifications on Opinion: The Ninth Circuit Court of Appeals has denied BPA's Petition for Rehearing on BPA's decision to provide service to its Direct Service Industrial (DSI) aluminum company customers. The Court's December 2008 Opinion affirmed BPA's authority to serve the DSIs, but invalidated certain rate provisions of the DSI contracts. BPA did not petition for a change in the outcome of that Opinion; rather, it asked for some specific clarifications to the legal reasoning. The Court provided some of the requested clarifications and BPA expects a pending appeal before the Ninth Circuit to further clarify the Court's position. Both lawsuits were brought by several BPA customer groups.

Extension Granted in Administration's Review of Biological Opinion (BiOp): U.S. District Court Judge James Redden has granted the federal government's request for more time on the 2008 Federal Columbia River Power System BiOp. The court has extended the time to September 15; the former timeline for the Administration's report to the Court on its review of the BiOp was August 14.

III. Public Events/Meetings

IV. Recovery Plan

Secretary Announces ARRA Investment in Pacific Northwest Transmission: With the goal of bringing new jobs and green power to the West, Energy Secretary Steven Chu this week announced the start of the McNary-John Day transmission project in Washington and Oregon, which will be funded by \$343 million from the American Recovery and Reinvestment Act. The project is expected to deliver almost 600 megawatts of clean, renewable wind energy to homes and business across the West.

V. Reform-Based Actions

VI. Meetings/Events

Department Officials Visit BPA: Seven officials from the Department's Office of the Chief Financial Officer visited BPA August 10 and 11. They received briefings on BPA finance and strategy and toured the BPA trading floor, the Celilo Substation, Dittmer Control Center, Bonneville Dam and the Klondike Wind Farm.

August 17 – 21, 24, 25, and 28: BPA Administrator Steve Wright will be on annual leave. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

Administrator Meets With *Oregonian* Editorial Board: BPA Administrator Steve Wright met August 10 with editorial writers from the *Oregonian*. The board is interested in BPA's progress on incorporating wind into the grid.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
AUGUST 19, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

BPA Transmission System Hits 2,000 Megawatt Wind Milestone: The Bonneville Power Administration (BPA) announced that its transmission system reached a milestone earlier this month when it carried more than 2,000 megawatts of wind generation for the first time. BPA now has 2,267 megawatts of installed wind generation connected to its transmission system. Of the 22 wind farms connected to BPA's system, six have come on line this year. BPA reached this accomplishment in just over a year-and-a-half since it first carried 1,000 megawatts of wind generation. Regional and industry media are reporting this event.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Installation of First BPA Regional Wind Meter: On August 19, BPA is holding a demonstration of the first of 14 anemometers it is installing in the region to improve wind forecasting. Installation of the anemometers is intended to improve the accuracy of wind forecasts with the objective of facilitating an increased amount of wind generation connection to BPA's transmission system and reduce the costs for wind connections.

III. Public Events/Meetings

Coho Salmon Restoration Project: BPA will hold public meetings on August 20 in Leavenworth, Washington and on August 21 in Twisp, Washington to scope an environmental impact statement for the proposed Mid-Columbia Coho Restoration Project. The project is proposed for BPA funding by the Yakama Indian Nation and would involve the use of existing hatchery facilities, construction of new facilities for broodstock development, and modification of existing ponds or side channels for juvenile coho salmon rearing.

Resource Program: On August 25, BPA will hold a public workshop in Portland on the development of a Resource Program for the agency. The Resource Program will examine the agency's projected load-resources balance and describe available resource types and costs to fill any projected deficits.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

August 17 – 21, 24, 25, and 28: BPA Administrator Steve Wright will be on annual leave. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

Oregonian Wind Editorial: On August 16, the Portland Oregonian published a lead editorial discussing the development of wind generation in the Pacific Northwest and praising BPA's efforts to support that development.

VIII. Legislative Activity

IX. Senior Personnel Announcements

Silverstein Named Senior Vice President for Transmission Services: BPA has announced the selection of Brian Silverstein as Senior Vice President for Transmission Services. Silverstein has held a variety of positions at BPA since joining the agency in 1979. Most recently he was Vice President for Planning and Asset Management and has been acting as Senior Vice President for Transmission Services since April.

X. Issues for Attention

DOE WEEKLY REPORT
AUGUST 26, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

FERC Approves BPA Network Open Season Process: The Federal Energy Regulatory Commission (FERC) issued a declaratory order approving the Bonneville Power Administration's (BPA) 2009 Network Open Season Process. BPA is conducting the network open season to manage its queue of pending requests for transmission service.

Customers Sign Preliminary Transmission Service Agreements: By the August 19 deadline, 16 customers signed preliminary transmission service agreements with BPA for 1,553 megawatts of transmission service under BPA's 2009 Network Open Season. Of that amount, BPA estimates that approximately 60 percent of the requested service is for wind generation.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Request for Rehearing on FERC Ruling on Order 890 Filing: BPA is seeking a rehearing by FERC of its July 15 ruling on BPA's Order 890 Tariff filing. While FERC's ruling was generally positive, it ruled that BPA cannot obtain reciprocity without adopting several Open Access Transmission Tariff (OATT) provisions. In its rehearing request, BPA said it would have additional discussions with its customers about the FERC ruling and the cost and importance of the requested provisions.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

September 10: BPA Administrator Steve Wright will be in Washington, D.C. for meetings with Administration officials. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

Expanding Role of Energy Conservation: The Portland Oregonian newspaper is preparing a story on the increasing role of energy efficiency as a power resource. Mike Weedall, BPA's Vice President for Energy Efficiency was interviewed for the story.

Record Salmon and Steelhead Returns: Regional media are covering various aspects of high salmon and steelhead returns to the Columbia River. BPA funds numerous projects and hydro system operations to benefit these fish. Over 1,200 sockeye salmon crossed Lower Granite Dam

on the Snake River on their way to their central Idaho spawning grounds. That is a record number since counts began at the dam. Meanwhile, steelhead returns to the Columbia River are also setting records for daily numbers across Bonneville Dam. Beginning on August 10 and through August 22, more than 10,000 steelhead crossed the dam on all but one day and reached over 34,000 on August 13. For seven days in a row, the daily counts were higher than any recorded at Bonneville Dam. The preseason forecast for the steelhead return was 350,000 and, as of August 22, the total actual return is over 413,000.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
SEPTEMBER 2, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Record Number of ESA-Listed Sockeye Salmon Return Home: As of August 31, 664 sockeye salmon reached their spawning grounds in the Stanley Basin of central Idaho. This continues a rebound of the population that was listed for protection under the Endangered Species Act in 1991 and saw only one fish return in 1992. The Bonneville Power Administration (BPA) funds the recovery program for the population. Additional fish are expected to return through the next two weeks.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

McNary to John Day Transmission Line: As of the end of August, BPA has installed fourteen miles of tower foundations and assembled eight miles of tower bodies for its McNary to John Day transmission line in Oregon and Washington. The line and associated system upgrades will enable BPA to satisfy a large number of transmission requests including 575 megawatts of additional wind generation. In September, the construction contractor will bring in large cranes to start erection of assembled towers.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

September 10: BPA Administrator Steve Wright will be in Washington, D.C. for meetings with Administration officials. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
SEPTEMBER 9, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Sub-Hourly Scheduling Pilot: This week the Bonneville Power Administration (BPA) is posting a new business practice to allow wind generators to begin scheduling transmission service at the half-hour as well as the hour to improve their ability to sell power from fast changes in wind generation. This is the first step in the move towards broader regional sub-hourly transmission scheduling and has resulted from collaboration with a range of regional stakeholders through a "Joint Initiative" sponsored by ColumbiaGrid, the Northern Tier Transmission Group, and WestConnect. This pilot is one of the six projects in BPA's wind integration work plan and is two months ahead of the schedule set in that work plan.

Regional Power Plan Draft Released: The Northwest Power and Conservation Council has released for public review its draft Sixth Power Plan. The Northwest Power Act of 1980 requires BPA to act consistently with the Council's Power Plan. The draft plan recommends that the Pacific Northwest region rely chiefly on renewable energy and energy efficiency to meet future energy load growth and proposes a regional target of 1,200 average megawatts of energy conservation through 2014. BPA is committed to meet public power's 42 percent of the Council's conservation targets. The draft plan was released for 60 days for public comment.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Federal Columbia River Power System Operations: On September 15, the Department of Justice will respond to questions asked of the Federal Government in litigation pending in the United States District Court for Oregon over the Biological Opinion (BiOp) for the Federal Columbia River Power System (FCRPS). District Court Judge James A. Redden has requested that the Administration review the BiOp and asked for additional discussion among the parties to the litigation.

Proposed Memorandum of Agreement with Washington State: BPA, the U.S. Army Corps of Engineers, and the Bureau of Reclamation expect to enter into a Memorandum of Agreement (MOA) with the State of Washington to establish a nine-year commitment for habitat projects in the Columbia River estuary. The purpose of the MOA is to help strengthen populations of salmon and steelhead listed for protection under the Endangered Species Act.

III. Public Events/Meetings

Transmission System Studies: On September 15, BPA will hold a customer workshop to discuss how it will analyze available transmission capacity for customers seeking long-term firm transmission service through BPA's second Network Open Season (NOS). The NOS is BPA's approach to manage long-term firm transmission requests and for determining any network transmission facility reinforcements that might be required to accommodate the requests.

Responding to the second NOS, 16 customers have signed preliminary service agreements for 1,553 megawatts of transmission service, approximately 60 percent of which would be for wind generation.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

September 10: BPA Administrator Steve Wright will be in Washington, D.C. for meetings with Administration officials. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
SEPTEMBER 16, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Federal Columbia River Power System Operations: On September 15, the Department of Justice filed responses to questions asked of the Federal Government in litigation pending in the United States District Court for Oregon over the Biological Opinion (BiOp) for the Federal Columbia River Power System (FCRPS). District Court Judge James A. Redden has requested that the Administration review the BiOp and asked for additional discussion among the parties to the litigation.

Proposed Memorandum of Agreement with Washington State: On September 16, the Bonneville Power Administration (BPA), the U.S. Army Corps of Engineers, and the Bureau of Reclamation expect to enter into a Memorandum of Agreement (MOA) with the State of Washington to establish a nine-year commitment for habitat projects in the Columbia River estuary. The purpose of the MOA is to help strengthen populations of salmon and steelhead listed for protection under the Endangered Species Act.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

VII. Potential or Expected Press Stories

Federal Government Biological Opinion Filing: The Department of Justice's filing of responses to questions about the BiOp for the FCRPS will generate extensive regional and national medial coverage and comment.

Effects of California Renewable Electricity Legislation: The Portland Oregonian contacted BPA about how new renewable energy legislation in California might affect wind and other renewable electricity development in the Pacific Northwest.

VIII. Legislative Activity

IX. Senior Personnel Announcements

Senior Vice President for Power Services Retires: On September 12, Paul Norman, BPA's Senior Vice President for Power Services, retired after 27 years at BPA and 34 years of Federal Service. Mark Gendron, currently Vice President for Northwest Requirements Marketing, will serve as acting Senior Vice President for Power Services.

X. Issues for Attention

DOE WEEKLY REPORT
SEPTEMBER 23, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Wind Integration Initiatives: On September 22, the Bonneville Power Administration (BPA) held a quarterly workshop with customers to review its progress on implementing the projects in its Wind Integration Team (WIT) Work Plan. BPA initiated these projects to develop new institutional and commercial approaches to manage power systems cost-effectively with large amounts of wind power. BPA reported that all WIT projects are on or ahead of schedule.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Wind Generation Operating Protocols: On October 1, BPA will implement its Final Dispatchers Standing Order 216, one of its principle wind integration tasks. Implementing these protocols will improve BPA's system reliability, reduce costs to wind projects, and support growth of the wind fleet.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

October 7: BPA Administrator Steve Wright will speak to the Northwest Power and Conservation Council at its meeting in Ketchum, Idaho. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

Wind Measuring Devices: A number of Pacific Northwest media outlets have reported on BPA's installation of wind meters to improve forecasting of regional wind conditions with the objective of improving the accuracy of wind generation scheduling and reducing the cost of maintaining system reserves.

Wind Development: The Portland Oregonian newspaper contacted BPA for a story it is preparing on the potential for a rollback on state wind energy tax credits in Oregon. The reporter asked for information on BPA's Network Open Season and about continuing interest for wind development in the Pacific Northwest.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
SEPTEMBER 30, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Briefs Due on Response to Federal Filing in FCRPS BiOp Case: Judge James A. Redden, of the United States District Court for Oregon, asked plaintiffs in the litigation challenging the Biological Opinion for the Federal Columbia River Power System to file briefs on the Administration's filing in the case by October 2. The Department of Justice filed statements on behalf of the Administration on September 15. The Court gave the Federal Defendants until October 16 to file responses.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

October 7: The Bonneville Power Administration (BPA) Administrator Steve Wright will speak to the Northwest Power and Conservation Council at its meeting in Ketchum, Idaho. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

Scheduled Annual Treasury Repayment: BPA expects to announce this week the details of completing its annual repayment to the United States Treasury for the 26th consecutive year.

Fish Detection Project: On September 28, BPA provided a media tour of the installation of a large-scale fish detection system in the South Fork of the Salmon River in Idaho. This facility is the largest non-dam installation of the fish detection technology which improves the region's ability to monitor salmon survival.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
OCTOBER 7, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Wind Generation Operating Protocols: On October 1, the Bonneville Power Administration (BPA) began implementing its Final Dispatchers Standing Order 216, one of its principal wind integration tasks. Implementing these protocols will improve BPA's system reliability, reduce costs to wind projects, and support growth of the wind fleet.

BPA Makes Treasury Payment: BPA completed its payment of \$845.1 million in full and on time to the U.S. Treasury for Fiscal Year 2009, which ended September 30. The payment represents principal and interest on the Federal investment in the dams, transmission system, fish and wildlife projects, and other capital projects of the Federal Columbia River Power System (FCRPS).

Draft Resource Plan: On September 30, BPA released a draft Resource Program for public comment. The Resource Program evaluates whether and what resources BPA may need to acquire to meet its power supply obligations. The planning horizon goes through 2019. Comment is due November 30.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

I-5 Corridor Transmission Line: BPA is scheduled to file its Notice of Intent on October 9 for the scoping of the I-5 Corridor Reinforcement Project. The proposed project would include an approximately 70 mile 500-kilovolt line from a new substation near Castle Rock, Washington, to a new substation in Troutdale, Oregon. The exact path of the line would be determined after public input and environmental review. BPA will begin two weeks of public meetings on October 27.

Federal Hydro System Operations Litigation: Judge James A. Redden, of the United States District Court for Oregon, extended the schedule for plaintiffs in the litigation challenging the Biological Opinion for the FCRPS to file briefs on the Administration's September 15 filing in the case. The plaintiffs now must file their briefs by October 7. When the plaintiffs' briefs are filed, the Federal Defendants will have until October 23 to file responses.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

October 7: BPA Administrator Steve Wright will speak to the Northwest Power and Conservation Council at its meeting in Ketchum, Idaho. Acting Deputy Administrator Allen Burns will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
OCTOBER 14, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

I-5 Corridor Transmission Line: On October 13, the Bonneville Power Administration (BPA) filed its Notice of Intent for the scoping of the I-5 Corridor Reinforcement Project. The proposed project would include an approximately 70 mile 500-kilovolt line from a new substation near Castle Rock, Washington, to a new substation in Troutdale, Oregon. The exact path of the line would be determined after public input and environmental review. BPA will begin 2 weeks of public meetings on October 27.

Completion of Northwest Energy Efficiency Taskforce Recommendations: On October 13, the Executive Committee of Northwest Energy Efficiency Taskforce (NEET) met to review progress on its recommendations and to understand what future actions regional energy efficiency organizations are planning. NEET is co-chaired by BPA Administrator Stephen J. Wright; Tom Karier, member of the Northwest Power and Conservation Council; and Pat Reiten, President of Pacific Power. The NEET Executive Committee is composed of 29 senior representatives of Pacific Northwest utilities, state governments, customers, industry, and energy efficiency experts.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Federal Hydro System Operations Litigation: Plaintiffs in the litigation challenging the Biological Opinion for the Federal Columbia River Power System to file briefs challenging the Administration's September 15 filing in the case. Judge James A. Redden, of the United States District Court for Oregon, has directed the Federal Defendants in the litigation to file their responses by October 23.

III. Public Events/Meetings

Draft Resource Plan: On October 14, BPA is holding a public meeting for comment on its draft Resource Program. The Resource Program evaluates whether and what resources BPA may need to acquire to meet its power supply obligations. The planning horizon goes through 2019. Comment is due November 30.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
OCTOBER 21, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

BPA Completes Annual Treasury Payment: The Bonneville Power Administration (BPA) has paid \$845.1 million to the U.S. Treasury to complete its Fiscal Year 2009 obligation for principal and interest on the Federal investment in the Pacific Northwest's hydroelectric dams, transmission system, fish and wildlife projects, and other capital projects of the Federal Columbia River Power System (FCRPS). This is BPA's 26th consecutive payment in full.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Federal Hydro System Operations Litigation: By October 23, the U.S. Department of Justice will file responses to briefs submitted by plaintiffs in the litigation challenging the Biological Opinion for the FCRPS. The plaintiffs' briefs challenge the Administration's September 15 filing in the case. The case is pending in the United States District Court for Oregon.

III. Public Events/Meetings

I-5 Corridor Transmission Line: On October 27, BPA will begin two weeks of public meetings for the scoping of the I-5 Corridor Reinforcement Project. The proposed project would include an approximately 70 mile 500-kilovolt line from a new substation near Castle Rock, Washington, to a new substation in Troutdale, Oregon. Construction and the exact path of the line will be determined after public input and environmental review.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
OCTOBER 28, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Record Salmon Returns to Snake River: Final counts of adult sockeye salmon returning to Redfish Lake, Idaho, came to 833 fish. This is the stock of salmon that migrates 900 miles from the Pacific Ocean and through eight dams on the Columbia and Snake Rivers. Returns dwindled to only one fish in 1992. Since then, the Bonneville Power Administration (BPA) has funded a "safety net" program in partnership with the Idaho Department of Fish and Game, the Shoshone-Bannock Tribes, and NOAA Fisheries. This year's adult return was higher than any year since 1957. Counts of wild adult steelhead to the lower Snake River also set a record this year, reaching 64,559 as of October 19, the highest number of wild steelhead recorded since counting began in 1993.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Tier 2 Pricing: BPA preference customers must elect by November 1 whether they intend BPA to supply all or a portion of their above-high water mark power needs for Fiscal Year 2012, 2013, and 2014, and, if so, how much and through what rate alternative. BPA is working with customers to bring greater certainty about the types, costs, risks and other characteristics of resources BPA expects to secure.

III. Public Events/Meetings

Wind Integration: On October 29, BPA is presenting the status of its activities to facilitate more wind generation on its transmission system at the meeting of the Northwest Wind Integration Forum Technical Work Group in Portland. Other participants include West Coast utilities and transmission planning agencies. The Northwest Wind Integration Forum is monitoring the completion of action items that were identified in the Northwest Wind Integration Action Plan in 2007.

I-5 Corridor Transmission Line: BPA is continuing two weeks of public meetings for the scoping of the I-5 Corridor Reinforcement Project. The proposed project would include an approximately 70-mile, 500-kilovolt line from a new substation near Castle Rock, Washington, to a new substation in Troutdale, Oregon. Construction and the exact path of the line will be determined after public input and environmental review.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

November 4 – 5: BPA Administrator Steve Wright will attend a meeting of the Chief Executive Officers of the membership of the Institute of Nuclear Power Operations in Atlanta, Georgia. Acting Deputy Administrator Allen Burns will be acting.

November 6: The Administrator will attend the Western Energy Industry Leaders meeting in Sacramento, California. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

Willamette Valley Habitat Projects: BPA is arranging a series of media visits to habitat areas in the Willamette Valley of Oregon where it is funding conservation easements and acquisitions.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
NOVEMBER 4, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Large Community Turnout for Transmission Project Meetings: On average, more than 500 people have attended each of the first three public meetings held by the Bonneville Power Administration (BPA) for its proposed I-5 Corridor Reinforcement Project. The proposed project would include a new approximately 70 mile 500 kV line from a new substation near Castle Rock, WA, to a new substation in Troutdale, OR. BPA will hold three more meetings the week of November 2.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Power Sales Contracts: BPA is seeking public review and comment until November 9 on revisions to the proposed Direct Service Industries power sale contracts with Alcoa and the Columbia Falls Aluminum Company that were offered in August of this year.

Columbia Generating Station Operations: BPA has sent a report to the Executive Committee of Energy Northwest, which operates the Columbia Generating Station (CGS) nuclear power plant. The report describes the plant's declining performance indicators and presents BPA recommendations intended to help Energy Northwest improve the performance of the plant and strengthen the relationship between BPA and Energy Northwest. The CGS is a valuable cost-effective, zero emission generation asset in BPA's generation portfolio.

III. Public Events/Meetings

Federal Hydro System Operations: The status review in the litigation challenging the Biological Opinion (BiOp) for the Federal Columbia River Power System has been rescheduled from November 17 to November 23. Judge James A. Redden, of the United States District Court for Oregon, scheduled the status review to discuss the brief filed by the Department of Justice on September 15 on behalf of the Administration stating its position on the BiOp and response briefs filed by parties to the litigation. The schedule change permits National Oceanic and Atmospheric Administration Administrator Jane Lubchenco to attend.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

November 4 – 5: BPA Administrator Steve Wright will attend a meeting of the Chief Executive Officers of the membership of the Institute of Nuclear Power Operations in Atlanta, Georgia. Acting Deputy Administrator Allen Burns will be acting.

November 6: The Administrator will attend the Western Energy Industry Leaders meeting in Sacramento, California. The Acting Deputy Administrator will be acting.

November 10: The Columbia River Treaty Entities will meet in Portland. The BPA Administrator is Chairman of the United States Entity. The meeting is primarily to discuss the preliminary results of studies related to the 2014 Treaty review.

November 17 – 18: The Administrator will attend the meeting of the Board of Directors of the Electric Power Research Institute in Dallas, TX. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

Northwest Wind Generation: The Portland Oregonian newspaper ran a front page story on wind generation development in Oregon and Washington. The article featured BPA's role in supplying transmission services for wind generation.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
NOVEMBER 11, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Transmission Project Public Meetings Completed: More than 2,000 people attended the series of six public meetings on the Bonneville Power Administration's (BPA) proposed I-5 Corridor Reinforcement Project. The meetings were for the initial scoping for the environmental review for the proposed project. The meetings, held in communities along possible routes for the proposed transmission project were completed on November 7. Most of those attending had received notification from BPA that possible segments for the proposed projects are on or near their property. The proposed project would include a new approximately 70 mile 500 kV line from a new substation near Castle Rock, WA, to a new substation in Troutdale, OR. The public comment period for the scoping continues through November 23. The public meetings generated local media coverage.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Power Sales Contracts: BPA is considering public comments received by the November 9 close of comment on revisions to the proposed Direct Service Industries power sale contracts with Alcoa and the Columbia Falls Aluminum Company that were offered in August of this year.

Columbia Generating Station in Forced Outage: The Columbia Generating Station nuclear power plant is in a forced outage after a shutdown on November 7. BPA purchases the output of the plant from its operator, Energy Northwest. The operator expects the plant to return to service by the middle of this week.

III. Public Events/Meetings

Federal Hydro System Operations: The status review in the litigation challenging the Biological Opinion (BiOp) for the Federal Columbia River Power System has been rescheduled from November 17 to November 23. Judge James A. Redden, of the United States District Court for Oregon, scheduled the status review to discuss the brief filed by the Department of Justice on September 15 on behalf of the Administration stating its position on the BiOp and response briefs filed by parties to the litigation. The schedule change permits National Oceanic and Atmospheric Administration Administrator Jane Lubchenco to attend.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

November 17 – 18: BPA Administrator Steve Wright will attend the meeting of the Board of Directors of the Electric Power Research Institute in Dallas, TX. Acting Deputy Administrator Allen Burns will be acting.

December 3: The Administrator will speak at the annual meeting of the Washington Public Utility District Association in Olympia, WA. The Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

Columbia Generating Station Operations: In response to a request, BPA has provided a regional energy publication its recent report to the Executive Committee of Energy Northwest, which operates the Columbia Generating Station nuclear power plant. The report describes the plant's declining performance indicators and presents BPA's recommendations intended to help Energy Northwest improve the performance of the plant and strengthen the relationship between BPA and Energy Northwest. The CGS is a valuable cost-effective, zero emission generation asset in BPA's generation portfolio.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
NOVEMBER 18, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

EPA Recognizes BPA for Environmental Leadership: The Environmental Protection Agency (EPA) Region 10 recognized the Bonneville Power Administration (BPA) for "Overall Environmental Leadership and Innovation" in its Green Government Recognition Program for 2009. The award recognized BPA's initiatives to update its lighting with energy efficient light bulbs, reduce water usage at its largest facilities, and purchase more fuel efficient vehicles for its transportation fleet. The EPA will present the award this week in Seattle, WA.

Port Townsend Paper Company Power Sale Contract: BPA issued its Record of Decision to offer a power sale contract to the Port Townsend Paper Company in Port Townsend, WA. The company, whose plant employs 300 workers, currently receives service from BPA as direct-service industry. The contract has been executed and runs through December 31, 2010. BPA completed its decision after a public review and comment period.

Columbia Generating Station Returned to Service: The Columbia Generating Station nuclear power plant returned to service on November 13. The plant had been in a forced outage after a shutdown on November 7. BPA purchases the output of the plant from its operator, Energy Northwest.

Annual Report: BPA submitted its annual report for Fiscal Year 2009. The report summarizes BPA's electric utility business, and reports financial statements and audit reports for the Federal Columbia River Power System (FCRPS).

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Federal Hydro System Operations: On November 23, Judge James A. Redden, of the United States District Court for Oregon, has scheduled a status review in the litigation challenging the Biological Opinion (BiOp) for the FCRPS. The status review will discuss the brief filed by the Department of Justice on September 15 on behalf of the Administration stating its position on the BiOp and response briefs filed by parties to the litigation. NOAA Administrator Jane Lubchenco will attend.

III. Public Events/Meetings

Confirming Transmission Service Requests: On November 19, BPA will hold a public conference call to release the preliminary results of its "cluster study" for its 2009 Network Open Season (NOS). The NOS is BPA's approach to manage long-term firm transmission requests, and for determining any network transmission facility reinforcements that might be required

to accommodate the requests. In August, 16 customers signed preliminary service agreements for 1,553 megawatts of transmission service, approximately 60 percent of which would be for wind generation. BPA expects to complete the study in January.

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

December 3: The Administrator will speak at the annual meeting of the Washington Public Utility District Association in Grand Mound, WA. Allen Burns, Acting Deputy Administrator will be acting.

VII. Potential or Expected Press Stories

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
NOVEMBER 25, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Extension of Comment on I-5 Transmission Project: The Bonneville Power Administration (BPA) has extended the public comment period for initial scoping for the environmental review of its proposed I-5 Corridor Reinforcement Project. The new date for close of public comment is December 14. BPA has held six public meetings attended by more than 2,700 people, and has received almost 2,000 comments. The proposed project could include a new approximately 70 mile, 500 kilovolt transmission line from a new substation near Castle Rock, WA, to a new substation in Troutdale, OR.

U.S. District Court Hearing on Columbia River Biological Opinion: On November 23, the United States District Court for Oregon held a status review on the litigation on the Biological Opinion (BiOp) for the Federal Columbia River Power System. NOAA Administrator Dr. Jane Lubchenco attended. The status review discussed the brief filed by the Department of Justice (DOJ) on September 15 on behalf of the Administration stating its position on the BiOp and response briefs filed by parties to the litigation. Judge James A. Redden asked the DOJ to address procedural concerns for the Administration's review of the BiOp, and return to him with recommendations in mid-December.

Libby to Troy Transmission Project complete: BPA energized the rebuilt Libby-to-Troy transmission line. BPA rebuilt the 17-mile, 115-kilovolt transmission line in northwestern Montana to improve its safety and reliability.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Intra-Hour Scheduling Pilot: On December 1, BPA will begin a pilot project to allow wind generators to begin scheduling transmission service at the half-hour as well as the hour to improve their ability to sell power from unexpected increases in wind generation. This pilot project is one of the six initiatives in BPA's wind integration work plan.

Close of Comment on Resource Plan: BPA will close public comment on its draft Resource Program on November 30. The Resource Program evaluates whether and what resources BPA may need to acquire to meet its power supply obligations. The planning horizon goes through 2019.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

November 27: BPA Administrator Steve Wright will be on annual leave. Allen Burns, Acting Deputy Administrator will be acting.

December 3: The Administrator will speak at the annual meeting of the Washington Public Utility District Association in Grand Mound, WA. Allen Burns, Acting Deputy Administrator will be acting.

December 10: The Administrator will speak at the annual meeting of the Public Power Council in Portland, OR.

VII. Potential or Expected Press Stories

Regional Smart Grid Partnership: The November 24 announcement by the Secretary of awards for demonstrations of Smart Grid technologies will likely generate regional media interest in the award to the Battelle Memorial Institute in Richland, WA. BPA is a participant in the project.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

DOE WEEKLY REPORT
DECEMBER 2, 2009
BONNEVILLE POWER ADMINISTRATION

I. This Week's Accomplishment

Intra-Hour Scheduling Pilot: On December 1, the Bonneville Power Administration (BPA) began a pilot project to allow wind generators to begin scheduling transmission service at the half-hour as well as the hour. This is intended to improve the ability of wind generators to sell power from unexpected increases in wind generation while maintaining the reliability of BPA's transmission system. This pilot project is one of the six initiatives in BPA's wind integration work plan.

II. Program Focus for the Week Ahead, includes Major Projects and Initiatives

Senate Energy and Natural Resources Committee Hearing: On December 10, BPA has been in formally invited by the United States Senate Committee on Energy and Natural Resources to present testimony at a hearing on the role of grid-scale energy storage in meeting energy and climate goals.

III. Public Events/Meetings

IV. Recovery Plan

V. Reform-Based Actions

VI. Meetings/Events

December 3: BPA Administrator Steve Wright will speak at the annual meeting of the Washington Public Utility District Association in Grand Mound, WA. Allen Burns, Acting Deputy Administrator will be acting.

December 4: The Administrator will attend in the White House Clean Energy Economy Forum in Seattle, WA. The Acting Deputy Administrator will be acting.

December 7: The Administrator may speak at a roundtable discussion on California energy and climate goals in San Francisco, CA. The Acting Deputy Administrator will be acting.

December 10: The Administrator will speak at the annual meeting of the Public Power Council in Portland, OR.

VII. Potential or Expected Press Stories

Willamette River Dams: The Salem Statesman-Journal newspaper has contacted BPA and other Federal agencies about the Biological Opinion for the Federal dams in the Willamette Valley. The questions asked of BPA concern possible changes to hydroelectric generation resulting from the Willamette Biological Opinion.

VIII. Legislative Activity

IX. Senior Personnel Announcements

X. Issues for Attention

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 11, 2008

I. Schedule

January 14: The Bonneville Power Administration (BPA) Administrator Steve Wright will participate in the winter meeting of the Large Public Power Council in California. Deputy Administrator Steve Hickok will be acting.

January 16: The Administrator will participate in a luncheon event of the Northwest Food Processor's Association Annual Northwest Food Manufacturing and Package Expo in Portland. The event features Oregon Governor Ted Kulongoski and Idaho Governor C.L. "Butch" Otter and is titled "Governor's Summit: Climate Change in the West – Opportunities and Challenges."

January 18: The Administrator and Senior Vice President of Transmission Services Vickie VanZandt will participate in the Western Electric Industry Leaders meeting in Seattle. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Close of Comment on Draft BiOp Status Review: On January 4, public comment closed on the National Oceanic Atmospheric Administration (NOAA) Fisheries draft Biological Opinion (BiOp) for the Federal Columbia River Power System. The four Pacific Northwest states filed comments as did tribal sovereigns, other parties to the litigation, and numerous individuals and stakeholder groups. The comment period was set by U.S. District Court Judge James Redden in his December 12, 2007, status review of the remand of the 2004 BiOp. At the same meeting, Judge Redden set a deadline of March 18, 2008, for NOAA to deliver the final BiOp.

Media interest: High

Contact: Sonya Baskerville 202-586-5640

Close of Comment on Proposed Interim Residential Exchange Payments: On January 7, public comment closed on BPA's proposal for interim Residential Exchange payments to investor-owned utilities (IOUs) and interim refund payments to BPA Preference customers. This proposal would address the current situation where BPA continues to collect roughly \$28 million per month for Residential Exchange costs from Preference customers but disburses no benefits to IOUs due to the rulings by the Ninth Circuit Court of Appeals on May 3, 2007. The Court ruled that BPA exceeded its settlement authority in 2000 when it executed Residential Exchange settlements with the IOUs, so BPA suspended payments. BPA cannot change rates for Preference customers outside a formal rate proceeding, which will not conclude before late Summer 2008. Consequently, the interim payments to IOUs and Preference customers will be for Fiscal Year 2008 only and would be subject to a true-up once the Residential Exchange benefits are finally determined in BPA's WP-07 supplemental rate case. BPA expects to make a decision on whether or not to offer interim payments contracts to customers by the end of January.

Media interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Coverage of the Interim Residential Exchange Payments Proposal: Northwest news media had extensive coverage of BPA's proposal for interim Residential Exchange payments. Many stories covered the initial reactions of local utility representatives. At least two newspaper editorials debated the appropriate structure for the Residential Exchange Program.

VI. FOIA Requests

Selection of WP-07 Rate Case Hearing Officer: On December 28, 2007, Dan Seligman, an attorney in Seattle, Washington, requested material related to the selection of the hearings officer for the WP-07 rate case that concluded in 2006.

Information About BPA Employment: On December 31, 2007, William Lyons, of Camas, Washington, requested records pertaining to his ability to be a BPA employee.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 18, 2008

I. Schedule

Nothing to report.

II. Departmental News

Environmental Plaintiffs Will Not Seek Injunction for 2008 Operations: The lead attorney for the environmental plaintiffs in the litigation of the 2004 Biological Opinion (BiOp), for the Federal Columbia River Power System (FCRPS), wrote the U.S. District Court Judge for the case to say that they will not file a motion for injunctive relief for planned 2008 river operations to help juvenile fish migrate past the FCRPS dams. During the Court's December 12, 2007, status review, the United States had offered to continue the court-ordered 2007 operations during the 2008 fish migration while National Oceanic and Atmospheric Administration (NOAA) Fisheries completes the new BiOp, now scheduled for March 18, 2008. The agreed-upon 2008 operations would extend through August 31, 2008, at which time the final BiOp operations would be implemented. The plaintiff's attorney wrote that the plaintiffs and the State of Oregon would work with the Federal agencies on minor operational adjustments for 2008 to accommodate new structures and perform essential research.

Media interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Canby Utility Board Letter to Secretary Draws Coverage: The Oregonian newspaper reported on the letter of the Canby Utility Board to Department of Energy Secretary Samuel Bodman requesting that the Secretary appoint an acting Administrator for the WP-O7 Supplemental Rate Case. The utility wrote that the Bonneville Power Administration's (BPA) Administrator Steve Wright could not be impartial in the rate case because of BPA's role in regional discussions of Residential Exchange Program (REP) benefit amounts. Responding to The Oregonian's inquiry, BPA representatives said the BPA's role in regional REP discussions have been limited to facilitation and were at the request of Northwest Congressional delegation members. BPA representatives also said that BPA has been clear that it cannot and will not promise a specific outcome for the residential exchange benefit amounts in advance of the WP-07 rate case. BPA has been assigned the response through Executive Secretariat.

VI. FOIA Requests

Hydro Optimization Testing: On January 10, Douglas J. Albright of the Actuation Test Equipment Company in Winnebago, Illinois requested materials related to the consideration and purchase of testing projects by the BPA Hydro Optimization Team Committee.

BPA Employee Awards: On January 11, Cathy Schaufelberger, a BPA employee, requested information about employee awards in several Power Supply groups.

BPA Contractor Payments: On January 11, Cathy Schaufelberger, a BPA employee, requested the amount paid to a BPA contractor in 2007.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
January 25, 2008

I. Schedule

February 11-14: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C., to meet with Northwest Congressional delegation members and Administration officials. Chief Operating Officer Anita Decker will be acting.

February 26: The Administrator, along with the other Power Marketing Administrations (PMAs) may testify before the House Natural Resources Water and Power Subcommittee on the Fiscal Year 2009 budget submission. The PMAs have not received an official invitation, but subcommittee staff have asked the PMAs to hold the date for the hearing.

II. Departmental News

NOAA Fisheries Proposes Lethal Removal of Sea Lions at Bonneville Dam: On January 17, National Oceanic Atmospheric Administration (NOAA) Fisheries released for public comment a proposal to deter California sea lions from preying on salmon and steelhead below Bonneville Dam. After identifying four alternatives, the Agency proposed lethal removal of individual sea lions identified as eating salmon and steelhead after other deterrence methods fail. NOAA Fisheries estimated that lethal removal would involve 30 animals a year. Comment is due February 19. Oregon, Washington, and Idaho requested to kill predatory sea lions under the Marine Mammal Protection Act. As required by the statute, NOAA Fisheries convened a task force to review options to reduce marine mammal predation. Of the 18-member task force, all but one person, a representative of the Humane Society of the United States, endorsed lethal removal.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

BPA Science Bowl Begins: BPA's regional Science Bowl begins with 54 middle school teams from Oregon and Washington competing on January 26. The high school competition has 64 entrants from the two states and will be held February 2. Fifteen colleges and universities will offer scholarships to the members of the top three high school teams. The winning teams also earn the right to compete at the national championships in Washington, D.C., later this spring.

Media interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Media Coverage of BPA Wind and Conservation Milestones: There has been extensive regional media coverage of two milestone BPA achievements. BPA reported that wind generation in its control area exceeded 1,000 megawatts for the first time. BPA also released news that it surpassed its goal for energy conservation in 2007 by bringing 58.5 average megawatts of new energy efficiency into the Northwest. BPA's goal for the year was to save 52 megawatts.

Coverage of Wire Thefts from BPA: Northwest media covered two related stories about the theft of copper wire from BPA substations. BPA released news that thieves broke into a BPA substation in Flathead County, Montana in early January. The thieves stole copper wire and caused thousands of dollars worth of damage. In its release, BPA provided contact information for its Crime Witness Program. Regional media are also repeating a Eugene Register-Guard story about the efforts of BPA and local utilities to paint copper wires different colors by utility to make identification by police and scrap metal recyclers easier.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 1, 2008

I. Schedule

February 11-14: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C., to meet with Northwest Congressional delegation members and Administration officials. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

BPA Employee Killed in Fatal Traffic Accident: On January 28, BPA employee Joseph Yegge was killed in a fatal traffic accident in Eastern Washington. Mr. Yegge was a cable splicer in Transmission Field Services and was driving a BPA vehicle in the course of his duties.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

NOAA Fisheries Given Extension for Final BiOp: On January 29, the U.S. District Court of Oregon granted National Oceanic Atmospheric Administration (NOAA) Fisheries a 45-day extension to complete the final Biological Opinion (BiOp) for operation of the Federal Columbia River Power System. The Department of Justice had filed a request for an extension saying that NOAA Fisheries needs more time to review and respond to the volume of comment it received on the draft BiOp. The extension gives NOAA Fisheries until May 5 to complete the BiOp.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPA CT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Investment in Montana Transmission Lines: On January 22, Grace Gilmore, Utility Appraiser for the Montana Department of Revenue requested information about BPA's total investment in several transmission lines and facilities located in Montana.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 8, 2008

I. Schedule

February 11-14: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C., to meet with Northwest Congressional delegation members and Administration officials. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

WP-07 Supplemental Rate Case Filing: On February 8, BPA expected to publish a notice in the Federal Register for a supplemental rate proposal to resolve issues related to the Residential Exchange Program (REP). BPA expects the WP-07 Supplemental proceeding to be completed in time for revised power rates for FY 2009 to be in effect by October 1, 2008. BPA's ex parte rate case restrictions begin at the time of the publication of the Federal Register notice.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

Wind Integration Rate Proposal: On February 7, BPA expected to publish its notice in the Federal Register for an initial rate proposal for reliability services to integrate wind resources in BPA's control area. This rate will recover the cost of providing within-hour balancing services for wind generators connected to the BPA control area. The rate is intended to go into effect on October 1, 2008. BPA's ex parte rate case restrictions begin at the time of the publication of the Federal Register notice.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries

Regional Science Bowl Wins Coverage: BPA's 2008 Regional Science Bowl received extensive coverage for both the middle school and high school competitions. In addition to television, radio and newspaper coverage of the events themselves, local media reported on the participation of individual student teams. BPA also hosted a "Celebrity Media Challenge" between students and seven television and print news reporters, which helped draw extra media coverage of the event.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 15, 2008

I. Schedule

February 26: The Bonneville Power Administration (BPA) Administrator Steve Wright, along with the other Power Marketing Administrations (PMAs), will testify before the House Natural Resources Water and Power Subcommittee on the FY 2009 budget submission. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

WP-07 Supplemental Rate Case Materials to be Released: BPA plans to hold a pre-hearing conference and release supporting materials for its WP-07 Supplemental Proposal on February 19. The Federal Register Notice for the rate case was published February 8, beginning BPA's ex parte restrictions.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

Wind Integration Rate Case Settlement Discussion Held: BPA issued notice for a public meeting on February 13 to discuss potential settlement proposals in the WI-09 rate case for wind integration services. BPA published notice of its rate proposal in the Federal Register on February 7. This rate is proposed to recover the cost of providing within-hour balancing services for wind generators connected to the BPA control area. The rate is intended to go into effect on October 1. BPA's ex parte rate case restrictions began at the time of the publication of the Federal Register notice.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

2008 Hydrosystem Operations Plan Filed With Court; Status Conference Set: The Department of Justice (DOJ) filed a Notice and Proposed Order with the US District Court for Oregon to repeat the 2007 Federal Columbia River Power System operations for fish in 2008. As proposed by Federal defendants at a status conference with Judge Redden on December 12, 2007, the proposal is intended to discourage motions for preliminary injunctive relief because resources to address these motions in Court are currently best spent preparing the final biological opinions. The DOJ requested a status conference to discuss concerns expressed by some parties on specifics of the proposed operation. The State of Oregon joined in the request. In response, District Court Judge James A. Redden scheduled a status conference for February 20.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Announcement of WP-07 Supplemental Rate Proposal: BPA's February 8 announcement of its proposal for the WP-07 Supplemental Rate Case generated broad interest among Pacific Northwest media. Many of the stories included reactions from local utility officials.

VI. FOIA Requests

Spending on Information Technology Contracts: On February 4, Richard Bonham of Clackamas, Oregon, requested an accounting of all spending by BPA on information technology contracts.

BPA Employment: On February 5, William Lyons of Camas, Washington, requested information that relates to his gaining employment at BPA.

Power Purchase from Klondike Wind Power Project III: On February 7, William Seligman, an attorney in Seattle, Washington, requested documents related to BPA's purchase of the output of Klondike Wind Power Project III.

Legal Proceedings: On February 11, Elaine Norris of Pasco, Washington, requested a copy of legal proceedings between BPA; the city of Pasco, Washington; and the Franklin County Public Utility District.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 22, 2008

I. Schedule

February 26: The Bonneville Power Administration (BPA), along with the other Power Marketing Administrations (PMAs), will testify before the House Natural Resources Water and Power Subcommittee on the FY 2009 budget submission.

II. Departmental News

BPA Requests Comment on Rescheduling Discussions for Direct Service Contracts:

BPA is requesting comment by February 29 on its proposal to postpone the development of a contract framework for its direct-service industry (DSIs) customers. BPA has been meeting with customers who are receiving service benefits from the agency, primarily two aluminum smelters in Washington and Montana, for services after 2011. In its notice, BPA said that postponing contract discussions would free up badly needed time for contract discussions with other customer groups and provides more time for the Ninth Circuit Court of Appeals to rule on lawsuits challenging the legality of the existing DSI contracts.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
February 29, 2008

I. Schedule

March 24-28: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting

II. Departmental News

BPA Offers Interim Residential Exchange Payments: BPA has offered interim Residential Exchange payments to investor-owned utilities (IOUs) and interim standstill payments to BPA Preference customers. These payments address the current situation where BPA continues to collect roughly \$28 million per month for Residential Exchange costs from Preference customers but disburses no benefits to IOUs due to the rulings by the Ninth Circuit Court of Appeals on May 3, 2007. The Court ruled that BPA exceeded its settlement authority in 2000 when it executed Residential Exchange settlements with the IOUs, so BPA suspended payments. BPA cannot change rates for Preference customers outside a formal rate proceeding, which will not conclude before late summer 2008. Consequently, the interim payments to IOUs and Preference customers will be for Fiscal Year 2008 only and will be subject to a true-up once the Residential Exchange benefits are finally determined in BPA's WP-07 supplemental rate case. Customers have until March 24 to decide whether to accept the payments or wait until the conclusion of the rate case and receive payments in Fiscal Year 2009.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

2008 Hydrosystem Operations Will Repeat 2007: On February 25, the U.S. District Court for Oregon ordered the 2008 operations of the Federal Columbia River Power System. The Court agreed with the proposal of the Federal defendants in the lawsuit over the Biological Opinion (BiOp) for power system operations to repeat the 2007 operations in 2008. The Court agreed that repeating the operation would avoid time-consuming motions for injunctive relief while the Federal defendants should be focused on completing the BiOp which is due on May 5.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Reaction to Interim Residential Exchange Payment Offers: Regional media are reporting individual utility responses to BPA's offer of interim Residential Exchange payments. Some of the reports estimate the resulting payments or credits that may be made to residential and small farm customers. The tone of these reports generally corresponds with the respective utilities' support or rejection of BPA's proposal.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 7, 2008

I. Schedule

March 20: The Bonneville Power Administration (BPA) Administrator Steve Wright is Chair of the United States Entity for the Columbia River Treaty. Each year, the Canadian and United States Entities meet with an international oversight body, the Permanent Engineering Board (PEB) for the Columbia River Treaty. This year, that meeting is in Portland on March 20 to review the prior year's Treaty business.

March 24-28: The Administrator will be on annual leave. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA Begins Financial Plan Workshops: On March 12 and March 17, BPA is holding public meetings to focus on the main issues to be addressed in the update of BPA's Financial Plan. The updated plan is expected to address BPA's access to capital, metrics to measure financial risk, cost recovery policy, and actions to take in good and bad financial years. BPA's Long-Term Regional Dialogue Policy commits to review and update the Agency's existing financial plan.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Releases Load Resources Study: BPA has released its annual Pacific Northwest Loads and Resources study. The comprehensive study provides a snapshot of the power conditions in the region, including how contractual obligations, available resources, and other factors influence energy supplies.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Interconnection and Exchange Agreement: On February 26, Ryan Dreveskracht, a student at the University of Washington, requested a copy of the Interconnection and Exchange Agreement between BPA, B.C. Hydro, and Powerex.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 14, 2008

I. Schedule

March 20: The Bonneville Power Administration (BPA) Administrator Steve Wright is Chair of the United States Entity for the Columbia River Treaty. Each year, the Canadian and United States Entities meet with an international oversight body, the Permanent Engineering Board (PEB) for the Columbia River Treaty. This year, that meeting is in Portland, Oregon, on March 20 to review the prior year's Treaty business.

March 24-28: The Administrator will be on annual leave. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA Begins Workshops on Tiered Rates Methodology: BPA is conducting workshops for customers and other interested parties through March 19 to discuss its draft Tiered Rates Methodology (TRM). BPA released its draft on March 7. BPA is proposing a long-term TRM to establish a predictable means by which to prevent dilution of BPA's Priority Firm rates beginning in Fiscal Year (FY) 2012. Tiered rates will accompany new long-term firm power sales contracts that BPA expects to offer regional power customers this year. After these workshops, BPA expects to publish its TRM initial proposal in the Federal Register in April.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Consultations on Average System Cost Methodology: BPA is consulting with the Region including its customers, the Northwest Power and Conservation Council, and State regulatory entities through May 2, 2008, on BPA's proposed revised methodology to be used to calculate utilities' Average System Costs (ASC) for purposes of determining their benefits under the Residential Exchange Program (REP) starting in FY 2009. BPA is conducting an expedited review process to calculate ASCs for use in developing BPA's final FY 2009 power rates. March 11 was the deadline for parties to file to intervene in the expedited review process.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Utility Files Suit Challenging Residential Exchange Payments: Clatskanie (Oregon) Public Utility District filed a lawsuit in the United Circuit Court of Appeals for the Ninth Circuit challenging the interim REP payments BPA offered in February. The utility requested expedited review. BPA is in the process of preparing its response to Clatskanie's motion to expedite, which will be filed March 14.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 21, 2008

I. Schedule

March 24-28: The Bonneville Power Administration's (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Parties to Wind Integration Rate Case Willing to Settle: Parties to the WI-09 Wind Integration Rate Case have told BPA they are willing to settle the case. BPA has obtained a stay of the rate case while parties review a revised proposal. Parties have until March 24 to sign the settlement agreement. If sufficient parties sign the settlement agreement, BPA will propose the rate to the Administrator. If the Administrator adopts the settlement, BPA will file the rate with the Federal Energy Regulatory Commission in May. The rate will be effective for Fiscal Year 2009.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Resource Program Will Revise Schedule to Improve Coordination: BPA has asked customers and other interested parties if it should take more time to develop its Resource Program (RP). A new RP will outline how BPA plans to address the energy needs of its customers over the next ten years. At a public workshop this week, BPA said that extending the schedule for RP development would allow BPA and its customers to maintain their focus on completion of new long-term power sale contracts, and improve coordination with the Northwest Power and Conservation Council's development of its Sixth Power Plan. BPA asked for any objections to taking more time to be stated by March 21, 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA Holds Vegetation Management Public Workshops: BPA is conducting a series of four public workshops in Western Washington on its management of vegetation on and around its transmission line rights of way. BPA has adopted new standards for maintaining adequate clearance for trees and shrubs along its transmission corridors. The North American Electric Reliability Council required transmission line owners to adopt such standards by June 2007. BPA's public workshops will continue through March 27, 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

NOAA Fisheries Approval to Remove Sea Lions that Threaten Salmon: Pacific Northwest media are reporting NOAA Fisheries' decision under the terms of the Marine Mammal Protection Act to allow Oregon and Washington to remove or, as a last resort, kill sea lions that prey on salmon below Bonneville Dam. BPA is sharing in the costs for non-lethal deterrence of sea lions this year and identification of individual animals that continue to prey on salmon despite deterrence. NOAA's authorization directs the states to first attempt to transfer those animals to pre-approved holding facilities before resorting to lethal measures.

VI. FOIA Requests

Former BPA Vice President's Calendar: On March 12, Dan Seligman, an attorney in Seattle, Washington, requested the calendar of Charles Meyer, a former BPA Vice President, from September 1, 2006 to his retirement in 2007.

Administrator's Calendar: On March 12, Dan Seligman requested the calendar of the Administrator between January 1, 2007, and February 29, 2008.

Administrator's Phone Logs: On March 12, Dan Seligman requested a log of the business cell phone calls of the Administrator from January 1, 2007, to January 1, 2008.

BPA Contracts: On March 12, Dan Seligman requested documents related to BPA contracts with Washington2 Advocates.

Hydro Optimization Meeting Material: On March 17, Douglas J. Albright of the Actuation Test Equipment Company in Winnebago, Illinois, requested materials from the meeting of the Hydro Optimization Team during the week of March 10.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
March 28, 2008

I. Schedule

Nothing to report.

II. Departmental News

BPA Customers Sign Interim Residential Exchange Payment Agreements: On February 22, the Bonneville Power Administration (BPA) offered interim Residential Exchange payments to investor-owned utilities (IOUs) and interim standstill payments to BPA preference customers. As of the March 24 deadline, 4 IOUs and 100 preference customers have signed these agreements. BPA is proceeding to process a total of approximately \$281 million in payments to these customers by April 2. These payments address the current situation where BPA continues to collect roughly \$28 million per month for Residential Exchange costs from preference customers but disburses no benefits to IOUs due to the rulings by the Ninth Circuit Court of Appeals on May 3, 2007. The Court ruled that BPA exceeded its settlement authority in 2000 when it executed Residential Exchange settlements with the IOUs, so BPA suspended payments. BPA cannot change rates for preference customers outside a formal rate proceeding, which will not conclude before late summer 2008. Consequently, the interim payments to IOUs and preference customers will be for Fiscal Year (FY) 2008 only and will be subject to a true-up once the Residential Exchange benefits are finally determined in BPA's WP-07 supplemental rate case.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

Wind Integration Rate Case Parties Sign Settlement Agreement: A significant number of parties to the WI-09 Wind Integration Rate Case signed a settlement agreement for the case this week. BPA will now propose the rate to the Administrator. If the Administrator adopts the settlement, BPA will file the rate with the Federal Energy Regulatory Commission in May. The rate will be effective for FY 2009.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA Schedules Network Open Season: BPA announced that it will conduct its first "Network Open Season" beginning April 15. The Network Open Season will improve how BPA manages and provides transmission service over the BPA network. Currently, BPA has about 180 requests for long-term firm transmission capacity in its request queue adding up to as much as 9,000 megawatts. Many of these requests are for new generators, including wind farms. The Network Open Season approach would secure service commitments from requestors that sign purchase contracts and obligate BPA to provide transmission capacity if precedent conditions are met. These conditions include the ability to provide service at BPA's embedded cost rates and completion of NEPA requirements where new transmission facilities are needed. BPA expects to file revised tariff language on April 1 that will be filed with its order 890 compliance filing and has developed a precedent transmission service agreement with its customers.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Humane Society Files Suit Against Lethal Measures for Sea Lions: Pacific Northwest media are reporting that the United States Humane Society and three other plaintiffs filed a complaint for declaratory and injunctive relief to stop the authorized lethal removal of sea lions that prey on salmon below Bonneville Dam. The Humane Society filed the injunction request in the United States District Court for the District of Oregon. The lawsuit is against NOAA Fisheries and the Department of Commerce for its decision under the terms of the Marine Mammal Protection Act to allow Oregon and Washington to a limited number of sea lions which have not responded to other deterrence methods.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 4, 2008

I. Schedule

Nothing to report.

II. Departmental News

BPA Processes Interim Residential Exchange Payments: By April 2, the Bonneville Power Administration (BPA) had completed payments totaling \$281 million to customers as interim payments under the Residential Exchange Program (REP). Payments were made to 100 preference customers and 4 investor-owned utilities (IOU) who had signed interim agreements by March 24.

The payments address on an interim basis the current situation where BPA continues to collect roughly \$28 million per month for Residential Exchange costs from preference customers due to the rulings by the Ninth Circuit Court of Appeals on May 3, 2007. The Court ruled that BPA exceeded its settlement authority in 2000 when it executed Residential Exchange settlements with the IOUs, so BPA suspended payments. The interim payments will be for Fiscal Year 2008 only and will be subject to a true-up once the residential exchange benefits are finally determined in BPA's WP-07 supplemental rate case.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

BPA to Release Draft Long-Term Power Sale Contracts: BPA expects to release for review draft contract templates for its proposed power sales after 2011. The contracts implement BPA's Regional Dialogue Policy which calls for 20-year contracts between BPA and its customers. BPA will conduct workshops on the draft contracts in April and May, and intends to offer the contracts to customers in August.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Coverage of Wind Integration Settlement: The Oregonian newspaper gave prominent coverage to the proposed settlement of the WI-09 wind integration rate case. The article described the increase in wind generation within BPA's control area and the costs it places on BPA to balance other generation and to deliver the power to customers in other areas.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 11, 2008

I. Schedule
Nothing to report.

II. Departmental News

Federal Agencies, Tribes, States Propose Columbia Basin Fish Agreements: The Bonneville Power Administration (BPA) and two other Federal agencies have requested public comment on proposed ten-year agreements with Columbia River basin tribes to strengthen fish stocks in the Columbia Basin. A similar agreement was proposed with the state of Idaho. The agreements establish objectives and funding commitments for habitat restoration, hatchery improvements, and certain spill and transport strategies based on the hydrosystem performance standards of NOAA Fisheries' draft Biological Opinion for the Federal Columbia River Power System. Tribes agreeing to the proposal are the Yakama Nation, Confederated Tribes of the Umatilla Indian Reservation, the Confederated Tribes of the Warm Springs Reservation of Oregon, and the Confederated Tribes of the Colville Indian Reservation. The Columbia River Inter-Tribal Fish Commission will also be a signatory to the agreement. The Nez Perce Tribe is continuing to discuss whether to join the agreements. Under the agreements, the tribes agree that the Federal government's requirements under the Endangered Species Act, the Northwest Electric Power Planning and Conservation Act, and the Clean Water Act are satisfied for the ten-year period.

The public comment period will close on April 23. A decision to proceed with the agreements will follow the comment period.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries:

Media Coverage of Fish Agreements: There was extensive coverage of the proposed ten-year fish agreements in regional and national media.

VI. FOIA Requests

Proposals from Direct Service Industries: On April 2, Dan Seligman, an attorney in Seattle, Washington, requested copies of all offers and/or proposals submitted to BPA from Alcoa or Columbia Falls Aluminum Corporation since January 1, 2007.

Contract Materials: On April 2, Dan Seligman requested copies of contracts and related materials between BPA and Knowmadic, Inc.

Documents Related to Former Employee's Defense: On April 2, Dan Seligman requested copies of materials BPA provided to defense counsel for Jane Selby, a former BPA employee.

Meetings and Communications Regarding the Residential Exchange Program: On April 2, Dan Seligman requested copies of communications and meeting materials between BPA and regional investor-owned utilities regarding the suspension of the Residential Exchange Program.

Use of BPA Aircraft: On April 2, Dan Seligman requested the manifests for BPA's airplanes for calendar year 2007.

BPA Records Manual: On April 1, Dan Seligman requested a copy of BPA's Records Manual.

SES Employee Compensation: On April 4, Dan Seligman requested the total compensation paid to individual BPA Senior Executive Service (SES) employees in Fiscal Year 2006 and Fiscal Year 2007.

BPA Executive Position Descriptions: On April 1, Dan Seligman requested position descriptions for each of BPA's vice-presidents, distinctions in pay and bonuses for the different levels of vice presidents and information about how bonuses and awards are determined for these positions.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 18, 2008

I. Schedule

Nothing to report.

II. Departmental News

Idaho, Montana Join Proposed Columbia Basin Fish Agreements: The States of Idaho and Montana announced their intentions to complete ten-year agreements with the Bonneville Power Administration (BPA) and two other Federal agencies to strengthen fish stocks in the Columbia Basin. Similar agreements with four Columbia River Indian Tribes were announced last week. The agreements establish objectives and funding commitments for habitat restoration, hatchery improvements, and certain spill and transport strategies based on the hydrosystem performance standards of NOAA Fisheries' draft Biological Opinion for the Federal Columbia River Power System. Under the agreements, the Tribes and the two states agree that the Federal government's requirements under the Endangered Species Act, the Northwest Electric Power Planning and Conservation Act, and the Clean Water Act are satisfied for the ten-year period.

A public comment period on the proposed agreements will close on April 23. A decision to proceed with the agreements will follow the comment period.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

Draft Long-Term Contracts Released for Review: BPA made public draft templates for its proposed new long-term power sale contracts. The draft contracts respond to BPA's Long-Term Regional Dialogue Policy and Record of Decision. BPA has begun public workshops to discuss the contract templates and asked for comments to be submitted by May 9. The release of the draft contract templates maintains BPA's schedule to complete the signing of long-term power sale contracts by the end of the year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA and Treasury Formalizing New Banking Relationship: BPA will hold an informal workshop to discuss the principles and details of a proposed banking relationship with the U.S. Treasury. The workshop will be on April 24 in Portland. BPA and the U.S. Treasury are formalizing a new arrangement that provides BPA with a more flexible banking relationship to better meet its business needs and aligns the BPA-Treasury relationship with current business practices and Treasury standards. BPA and the Treasury expect to formalize the arrangement by the end of April.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Launches Network Open Season: On April 15, BPA began its first Network Open Season. BPA customers seeking transmission service are being offered transmission service over the BPA network under a Precedent Transmission Service Agreement (PTSA).

Customers will have until June 16, 2008, to sign and return agreements to BPA if they decide to accept the offer and must meet security requirements. If a customer chooses not to sign the PTSA their request for transmission service will be removed from the request queue. BPA expects to conduct a Network Open Season at least once a year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries:
Nothing to report.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
April 25, 2008

I. Schedule

Nothing to report.

II. Departmental News

Tiered Rates Methodology: Next week, the Bonneville Power Administration (BPA) expects to publish in the Federal Register its Tiered Rates Methodology (TRM) initial proposal. BPA is proposing a long-term TRM to establish a predictable means by which to tier BPA's Priority Firm (PF) power rates beginning in FY 2012. A tiered PF rate provides for separate charges to recover the cost of existing resources (Tier 1) and the cost of new resources needed to serve load growth (Tier 2). Tiered rates will accompany new long-term firm power sales contracts that BPA expects to offer regional public utility customers in 2008. BPA plans to execute these contracts at the end of this year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Final BiOp Due: Under the January 29 order of the U.S. District Court of Oregon, NOAA Fisheries is due to complete and file on May 5 the final Biological Opinion (BiOp) for operation of the Federal Columbia River Power System.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

MOA Signing Ceremony on April 30: BPA, The Corps of Engineers, and the Bureau of Reclamation expect to sign the Memorandum of Agreements (MOA) with Columbia Basin Tribes and the States of Idaho and Montana.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Request for Technology Meeting Material: On April 11, Douglas J. Albright of the Actuation Test Equipment Company in Winnebago, Illinois, requested documents and agreements related to the selection of equipment for hydroelectric generation.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 2, 2008

I. Schedule

Nothing to report.

II. Departmental News

Final BiOp Due: Under the January 29 order of the U.S. District Court of Oregon, NOAA Fisheries is due to complete and file on May 5 the final Biological Opinion (BiOp) for operation of the Federal Columbia River Power System.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 9, 2008

I. Schedule

Nothing to report.

II. Departmental News

Tiered Rates Methodology: On May 12, the Bonneville Power Administration (BPA) will hold a prehearing conference on its Tiered Rates Methodology (TRM) initial rate proposal. BPA published its Federal Register Notice for the proposal on May 6. BPA is proposing a long-term TRM to establish a predictable means by which to tier BPA's Priority Firm (PF) power rates beginning in Fiscal Year 2012. A tiered PF rate provides for separate charges to recover the cost of existing resources (Tier 1) and the cost of new resources needed to serve load growth (Tier 2). Tiered rates will accompany new long-term firm power sales contracts that BPA expects to offer regional public utility customers in 2008. BPA plans to execute these contracts at the end of this year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA, Treasury Complete Agreement: BPA and the United States Treasury signed agreements to establish a more formal banking arrangement that is more consistent with Treasury's business practices with other Federal agencies. The agreements also align BPA with Treasury's current standards for earned interest on its funds.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640.

WP-07 Supplemental Rate Case: On May 14, the Administrator will participate in a public meeting on the WP-07 Supplemental Rate Case.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Columbia River Salmon Media Coverage: Three stories generated media coverage in the Pacific Northwest. The May 2 signing by BPA, the Corps of Engineers, the Bureau of Reclamation, and four Columbia River tribes, was covered by the Associated Press and the Oregonian. NOAA Fisheries' May 5 release of its Biological Opinion for the Federal Columbia River Power System received wide coverage. The discovery on May 4 and ongoing investigation of six sea lions shot to death in traps at Bonneville Dam is receiving ongoing regional and national coverage.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 16, 2008

I. Schedule

Nothing to report.

II. Departmental News

BPA Begins Integrated Program Review: On May 15, the Bonneville Power Administration (BPA) began a schedule of public workshops for its Integrated Program Review (IPR). The IPR provides an overview of spending levels and strategic direction for Fiscal Year (FY) 2010 and 2011. Public review will continue through June, leading to a draft report for FY 2010-2011 in July and final decisions in September. These decisions will define BPA's revenue requirements for the rate case for FY 2010-2011. At the same time, BPA will conduct an expedited review of changes to FY 2009 spending levels from the original WP-07 rate case. BPA will complete decisions on these changes in June to define the agency's revenue requirements for the Supplemental WP-07 rate case.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA to Co-Chair Regional Energy Efficiency Task Force: BPA Administrator Steve Wright will co-chair a regional task force to improve the efficient use of electricity throughout the Pacific Northwest. The task force will look at innovative ideas from successful energy-efficiency programs and explore how, through regional collaboration, energy efficiency can be delivered more effectively. Pacific Power President Pat Reiten and Northwest Power and Conservation Council member Dr. Tom Karier will also serve as co-chairs.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Consultation Documents: On May 8, Richard A. Pitt of the Public Utility District No. 1 of Grays Harbor County, Washington, requested documents reflecting communication between BPA and the Office of the Comptroller General on the lawfulness of any payments between May 3, 2007, and May 8, 2008.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

May 23, 2008

I. Schedule

Nothing to report.

II. Departmental News

Draft ASC Methodology ROD: The Bonneville Power Administration (BPA) expects to release a revised draft Average System Cost (ASC) Methodology for a two-week public comment period by early next week. BPA has proposed a revised methodology to calculate utilities' ASCs for purposes of determining their future benefits under the Residential Exchange Program (REP). BPA is using an expedited review process to calculate ASCs for use in developing BPA's final Fiscal Year 2009 power rates. Following the close of comment, BPA expects to publish a final Record of Decision in late June.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Draft Residential Exchange Contracts Issued for Comment: BPA is seeking public comment on two draft Residential Purchase and Sale Agreements (RPSA). The first agreement, called a "Bridge RPSA", will implement BPA's REP between October 1, 2008, and the time the Regional Dialogue Long-Term RPSA takes effect, which is expected to be October 1, 2011. The second agreement is the Regional Dialogue Long-Term RPSA itself. BPA is seeking comment through June 16.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
May 30, 2008

I. Schedule

June 6: The Bonneville Power Administration (BPA) Administrator Steve Wright will participate in a meeting of the Western Electric Industry Leaders in San Diego. Deputy Administrator Steve Hickok will be acting. The executives are expected to discuss what collaborative actions utilities are willing to take to follow up on the letter this group sent to western Governors and others in April.

II. Departmental News

BPA Financial Plan Review: By May 30, BPA expects to have released a draft Financial Plan for public review in June. The updated plan is expected to address BPA's access to capital, metrics to measure financial risk, cost recovery policy, and actions to take in good and bad financial years. BPA's Long-Term Regional Dialogue Policy commits to review and update the agency's existing financial plan. BPA expects to complete a final Financial Plan at the end of July.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Draft Supplemental Regional Dialogue Policy: On June 6, BPA expects to release for public comment its draft supplemental Regional Dialogue Policy. BPA released its Record of Decision on its Regional Dialogue Policy in July, 2007. The draft supplemental policy clarifies and affirms issues in the original policy in response to the lengthy discussions that have occurred since the policy was issued. It does not set any new directions or change any of the original policies. Comments on the Fiscal Year 2010 resources identified in the draft supplemental policy will be due by June 27 and on all other relevant issues by July 15.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

June 6, 2008

I. Schedule

June 17: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. to testify at a hearing of the Senate Energy and Natural Resources Committee on transmission and renewable energy. The Administrator may schedule meetings with Federal Energy Regulatory Commission commissioners. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Draft ASC Methodology ROD: BPA has requested public comment by June 12 on its draft Average System Cost (ASC) Methodology Record of Decision (ROD). BPA has proposed a revised methodology to calculate utilities' ASCs, which is a major component in determining their future benefits under the Residential Exchange Program. BPA is using an expedited review process to calculate ASCs for use in developing BPA's final Fiscal Year 2009 power rates. Following the close of comment, BPA expects to publish a final ROD by June 30.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Previously Requested Material: On May 27, Keith Ashdown, of Taxpayers for Common Sense in Washington, D.C., requested copies of materials provided in response to previous Freedom of Information Act Requests that are not available on BPA's website.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 13, 2008

I. Schedule

June 16-17: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. for meetings with Department and other Administration officials, members of Congress, and to testify at the June 17 hearing of the Senate Energy and Natural Resources Committee on transmission and renewable energy. Deputy Administrator Steve Hickok will be acting.

June 23: The Administrator will attend the annual meeting of the American Public Power Association in New Orleans. The Deputy Administrator will be acting.

II. Departmental News

Network Open Season Closes: On June 16, BPA will close its first Network Open Season (NOS). BPA has offered Precedent Transmission Agreements (PTSA) to 38 customers for some 315 individual transmission service requests totaling over 14,000 megawatts. Customers must execute agreements and submit those with applicable security deposits by the June 16 deadline to accept the offer. Where a customer chooses not to sign a PTSA, its request for transmission service will be removed from the request queue. BPA has filed tariff language with Federal Energy Regulatory Commission (FERC) for its NOS and expects to receive a FERC order before the June 16 NOS closing. Assuming FERC approval, BPA will conduct a NOS at least once a year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA Financial Plan Review: On June 10, BPA released its draft Financial Plan for public review. Comment is due July 8. The updated plan is expected to address BPA's access to capital, metrics to measure financial risk, cost recovery policy, and actions to take in good and bad financial years. BPA's Long-Term Regional Dialogue Policy commits to review and update the agency's existing financial plan. BPA expects to complete a final Financial Plan at the end of July.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Energy Efficiency Taskforce Begins Work: On June 18, the Northwest Energy Efficiency Task Force (NEET) will hold its first executive committee meeting in Portland. The Administrator is a co-chair of NEET, along with Pacific Power President Pat Reiten and Northwest Power and Conservation Council Member Tom Karier. NEET is seeking ways to collaborate on a regional level to achieve higher levels of energy efficiency, and their work plan calls for small groups to analyze various topics. Five or six work groups, each with two co-chairs, will present recommendations for executive committee review this fall.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries:
Nothing to report.

VI. FOIA Requests

Request for Policies and Materials Related to Police Call: On June 3, Venkat Balasumbramani, an attorney in Seattle, requested policies regarding photography of a BPA facility in Snohomish, Washington, and documents related to a 2005 call to local police by BPA employees at the facility.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 20, 2008

I. Schedule

June 23: The Bonneville Power Administrator (BPA) Administrator Steve Wright will attend the annual meeting of the American Public Power Association in New Orleans. Steve Hickok, Deputy Administrator, will be acting.

II. Departmental News

Network Open Season Security Payments Due: Customers who signed Precedent Transmission Service Agreements (PTSA) for BPA's Network Open Season (NOS) must complete delivery of security payments to BPA by June 27. Delivery of security equal to the cost of one year of service is the final confirmation of participation in the NOS. BPA closed its NOS on June 16. Preliminary results were that a total of 29 customers signed PTSAs for 6,905 megawatts of transmission service requests. Of that amount, over 75 percent was for transmission service for wind projects. On June 13, the Federal Energy Regulatory Commission issued approval of BPA's tariff language for its NOS. Customers who did not sign PTSAs will have their transmission service requests removed from BPA's request queue. They are able to renew their requests for future NOS, which BPA expects to conduct at least once a year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Challenge Filed to FCRPS BiOp: On June 17, the National Wildlife Foundation filed their legal challenge to the Biological Opinion (BiOp) of the NOAA Fisheries Service (NOAA) for the Federal Columbia River Power System (FCRPS) under the Administrative Procedures Act. NOAA issued the BiOp on May 5. The plaintiffs filed their challenge with the United States District Court for Oregon as a supplement to their challenge to the 2004 BiOp which was remanded to NOAA by the Court.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Request for Application Review Material: On June 9, Steven Scher of Oxford, New Jersey, requested information about the review of applicants for a contract attorney position posted by BPA.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
June 27, 2008

I. Schedule

Nothing to report.

II. Departmental News

Average System Cost Methodology Record of Decision: By June 30, the Bonneville Power Administration (BPA) expects to have issued its Record of Decision on its proposed Average System Cost (ASC) Methodology. BPA has proposed a revised methodology to calculate utilities' ASCs for purposes of determining their future benefits under the Residential Exchange Program. BPA is using an expedited review process to calculate ASCs under this proposed methodology for use in developing BPA's final Fiscal Year 2009 power rates.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Cosmopolis Mill: Local media in Western Washington are covering a pending decision by BPA on the classification of service to the Cosmopolis Pulp Mill if it is purchased from the Weyerhaeuser Corporation by Evergreen Pulp Cosmopolis. BPA Administrator Steve Wright and Washington Governor Chris Gregoire met with company officials at the mill on June 23.

VI. FOIA Requests

Request for Grazing Project Management Information: On June 8, Rob Kavanaugh requested materials related to BPA's project management of a wildlife mitigation project.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT

July 3, 2008

I. Schedule

Nothing to report.

II. Departmental News

Wind Integration Rate Case Settlement Agreement: The Bonneville Power Administration (BPA) expects to file its record in the WI-09 Wind Integration Rate Case with the Federal Energy Regulatory Commission in early July. The rate will be effective for Fiscal Year 2009. The rate is intended to better align cost causation and cost recovery for balancing the variable output of wind farms in BPA's control area within each hour.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Network Open Season: BPA has completed its first Network Open Season (NOS) to obtain commitments for requests for transmission service over the BPA network. Customers seeking transmission service were offered transmission service under Precedent Transmission Service Agreements (PTSA). Customers were required to make security deposits to BPA under the terms of the PTSAs. At the June 27 due date, 27 customers provided security deposits for 153 PTSAs totaling 6,410 megawatts of service. BPA will now restack its transmission service request queue and initiate cluster studies to determine system requirements to implement the PTSAs. BPA expects to conduct an NOS at least once a year.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

Average System Cost Methodology Record of Decision: BPA has issued a final 2008 Average System Cost (ASC) Methodology Record of Decision (ROD) for determining the average system cost of resources for regional electric utilities participating in the "Residential Exchange Program" (REP) authorized by section 5(c) of the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), 16 U.S.C. § 839c(c). The ASC Methodology is one of the components used to determine the level of monetary benefits paid by BPA to each utility participating in the REP. Such benefits are passed through in their entirety to the utilities' residential and small farm consumers.

Under the Northwest Power Act, BPA provides benefits to utilities with high average system costs to lower their rates for residential and small farm consumers. Because the payments can be very large, the calculation of a utility's average system cost can generate a lot of controversy. BPA put the current methodology for calculating average system cost in place in 1984.

In 2000, BPA entered into settlement agreements with regional investor-owned utilities (IOUs) to determine residential exchange payments. In 2007, the Ninth Circuit overturned the agreements. BPA has been seeking a legally sustainable approach to the residential exchange that also is viewed as politically equitable within the Northwest. A revision of the ASC Methodology is a part of the approach to remedying this problem.

On February 7, 2008, BPA published in the Federal Register Notice a proposed ASC Methodology. BPA held numerous public workshops from February through April 2008 and also initiated a formal comment period on the proposed ASC Methodology. BPA produced a draft ASC Methodology ROD, which responded to the comments received and presented the Administrator's draft decisions on all issues raised. The draft ASC Methodology ROD was submitted for public comment during the period May 29, 2008 through June 12, 2008. The Final ROD describes the Administrator's final decisions on the 2008 ASC Methodology and provides responses to the comments received during the consultation proceeding.

In general, the new ASC Methodology includes more costs than the old ASC Methodology. This increases the level of benefits to utilities that participate in the residential exchange, which are primarily IOUs. BPA believes these changes are generally common sense interpretations of what are appropriate costs to include in a wholesale rate calculation. Public Power customers that tend to pay for residential exchange benefits will be less sanguine with this conclusion. If they believe, however, that the result of all the changes to the residential exchange program are in the range of the conceptual agreement between public and investor-owned utilities reached last November, they are likely to be less vociferous.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Request for Power Sales Contracts: On June 24, Stephen Hess of Edison Mission Marketing and Trading, Inc, in Irvine, California, requests copies of various power sales contracts between BPA and various California entities.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
July 11, 2008

I. Schedule

Nothing to report.

II. Departmental News

BPA Reports Transmission Line Incident; WECC Issues Remedial Action

Directive: The Bonneville Power Administration (BPA) self-reported to the Western Electricity Coordinating Council (WECC) a June 28 incident when a tree on BPA's Big Eddy-Chemawa 230 kV corridor came into contact with a power line. No load was lost and there was no adverse effect on system operations. WECC is the entity responsible for enforcing reliability regulations in the Western Interconnection. In response, WECC issued a Remedial Action Directive to BPA on July 3 ordering BPA to do a comprehensive check on 8,500 miles of transmission rights-of-way within 90 days.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA Agrees to Extension of Release Date for Long-Term Power Sale Contract

Templates: BPA's customer representatives have continued discussions on BPA's Tiered Rates Methodology (TRM) proposal. Those representatives asked for more time on the process and an extension of the deadline to conclude discussions on BPA's draft long-term power sale contracts. The contracts are being developed as part of BPA's Long-Term Regional Dialogue Policy and Record of Decision. BPA agreed to this request based on the commitment from the customers to meet a revised schedule and to achieve a better TRM document. The TRM discussions concluded July 9. The contract discussions will conclude by July 25. BPA will release final contract templates by August 18, and contracts will be executed by December 1.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Coverage of Wind Event: Regional media are carrying a story originally reported in the Portland Oregonian on July 5 about an event that occurred on June 30. A surge of wind far surpassed wind operators' forecasts causing BPA to need to call for spilling water at hydroelectric dams to compensate for the unexpected wind generation. BPA sought to curtail wind generation when dissolved oxygen gas levels from the spill had the potential to be harmful to fish. The Oregonian reported communications difficulties between

BPA and some wind operators that impeded curtailment. Gas levels below the dams did not reach harmful levels but both BPA and wind generators acknowledged the communication problems. BPA officials told the Oregonian that the incident called for improvement of communication protocols.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
July 18, 2008

I. Schedule

On July 25, the Bonneville Power Administration (BPA) Administrator Steve Wright will speak at the commemoration of the 75th anniversary of the Grand Coulee Dam. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

Willamette Biological Opinion Issued: On July 11, NOAA Fisheries issued a Biological Opinion (BiOp) for endangered and threatened salmon and steelhead in the Willamette Basin in Oregon. The opinion addresses the operation of the 13 Federal dams in the Willamette Basin. The U.S. Army Corps of Engineers (Corps) operates the dams. BPA markets power from eight of the dams. The BiOp reviews actions in the Willamette Basin proposed by the Corps, BPA and the Bureau of Reclamation, and concludes that with the implementation of those actions and additional actions that NOAA Fisheries set out in the Reasonable and Prudent Alternatives, operation of the Willamette Basin dams will avoid jeopardy to the listed fish.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA Distributes Letter to Region Describing Response to WECC Directive: BPA Administrator Steve Wright, and Transmission Services Senior Vice President Vickie Van Zandt have sent a letter to BPA customers and other stakeholders describing the June 28 tree contact with a BPA transmission line and BPA's response to the Remedial Action Directive issued by the Western Electricity Coordinating Council (WECC) on July 3. WECC issued the directive after BPA self-reported the tree contact. WECC directed BPA to conduct a comprehensive inspection within 90 days of all BPA transmission rights-of-way critical to bulk power reliability. This includes 8,500 miles of rights-of-way and the equivalent of 15,000 circuit miles. WECC enforces reliability regulations within the Western Interconnection.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Land Use Agreements and Investigation Records: On July 8, Jonathan Lewis, an attorney in Seattle, Washington, requested materials related to a land use agreement with the Northwest Pipeline Corporation. Mr. Lewis also requested materials related to any investigations by BPA of an accident that occurred on the "Mount Vernon" section of the project.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
July 25, 2008

I. Schedule

August 18 – 22: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. General Counsel Randy Roach will be acting August 18-19, Chief Operating Officer Anita Decker will be acting August 20, and Chief Financial Officer Dave Armstrong will be acting August 21-22.

II. Departmental News

Tiered Rates Methodology (TRM) released: BPA released its TRM supplemental proposal July 25, and has offered to hold additional settlement discussions with the rate case parties during the week of July 28. BPA published the TRM in a Federal Register Notice May 6, kicking off discussions with customers on a long-term methodology to tier BPA's Priority Firm (PF) power rates beginning in Fiscal Year (FY) 2012. Tiered rates will accompany new long-term firm power sales contracts that BPA expects to offer regional public utility customers in 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA crews meet significant milestone for transmission inspection: BPA line crews completed inspection of all the agency's 230-kV and 500-kV lines by July 18, the 15-day target date set by the Western Electricity Coordinating Council (WECC). This is the third, and perhaps toughest, of six milestones set by a WECC Remedial Action Directive following a tree contact with a line on June 28. In all, the inspection will cover 8,500 land miles or 15,000 circuit miles (the total length in miles of separate circuits or transmission lines) over a 90-day period. The first three milestones have now been met on time. Weekly reports are being provided to WECC.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Workshop to present alternative spending levels for Fiscal Years 2010 and 2011: In response to customer requests, BPA will hold a workshop on alternative program spending levels for FY 2010-11 July 30, from 9 a.m. to 12 noon in the Rates Hearing Room at BPA Portland Headquarters. The workshop will cover scenarios that BPA has developed describing the impact of a ten percent reduction and a ten percent increase to proposed FY 2010-11 budget levels as a result of the recent Integrated Program Review hearings.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

BPA begins 2010-2011 power and transmission rate case workshops: Originally scheduled for July 22, the workshop on FY 2010-2011 power and transmission rates has been rescheduled to July 31, from 9 a.m. to 12 noon at the Double Tree Lloyd Center in Portland, Oregon.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Rebecca Smith of the *Wall Street Journal* called BPA's press office late last week asking some preliminary questions related to a story she is researching on the Federal government's management of the power marketing administrations.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
August 1, 2008

I. Schedule

August 18–22: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. General Counsel Randy Roach will be acting August 18-19, Chief Operating Officer Anita Decker will be acting August 20, and Chief Financial Officer Dave Armstrong will be acting August 21-22.

September 15–18: The Administrator will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA Seeks Comment on Proposed Wind Farm Interconnection: On July 25, BPA initiated a public comment period on the proposal by Sagebrush Power Partners, LLC, to interconnect to the Federal Columbia River Transmission System up to 108 megawatts of electricity to be generated from its proposed Kittitas Valley Wind Project in Kittitas County, Washington. A lawsuit challenging the State of Washington's siting approval for the wind project is pending in the Washington State Supreme Court. BPA is accepting comments on Sagebrush's proposed interconnection through August 25.

Media Interest: Medium for state press

Contact: Sonya Baskerville 202-586-5640

BPA Completes Financial Plan: BPA expects to have completed a final Financial Plan by July 31. The updated plan will address BPA's access to capital, metrics to measure financial risk, cost recovery policy, and actions to take in good and bad financial years. BPA's Long-Term Regional Dialogue Policy commits to review and update the agency's existing financial plan.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Strong Sockeye Returns to the Columbia River Get Notice: The surprisingly large return of adult sockeye salmon to the Columbia River is receiving extensive regional media coverage. As of July 22, 215,000 sockeye had crossed Bonneville Dam this year making it the largest count of the species since 1955. The run includes the endangered

Snake River stock which has had over 800 adults cross Lower Granite Dam, the last dam upstream into its Idaho habitat, which is the highest number recorded since the dam was built in 1975. Most of the Columbia River sockeye run returns to Lake Wenatchee in Washington, and Lake Osoyoos in British Columbia. Discussion in the media reports debates of the relative roles of past river operations and ocean conditions in contributing to the unexpectedly high return this year.

Oregon Approves Wind Farm Billed as Worlds Largest: Regional and national industry media are carrying the report of the approval by the Oregon Energy Facility Siting Council of the proposed Shepherd's Flat Wind Farm in Gilliam and Morrow Counties, Oregon. The output of the wind farm would be interconnected with BPA's transmission system. The wind farm is proposed by Caithness Shepards Flat, LLC which told reporters that the 909 megawatt proposal would be the largest single wind farm in the world.

VI. FOIA Requests

Request for Financial Information for Individual Dams: On July 21, Ronald Harriman of Nampa, Idaho, requested balance sheets for Ice Harbor, Lower Monumental, Little Goose, and Lower Granite Dams.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
August 8, 2008

I. Schedule

August 18 – 22: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. General Counsel Randy Roach will be acting August 18 - 19, Chief Operating Officer Anita Decker will be acting August 20, and Chief Financial Officer Dave Armstrong will be acting August 21-22.

September 15 – 18: The Administrator will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Court Schedules Status Review for FCRPS Biological Opinion: On August 21, United States District Court Judge James A. Redden has scheduled a status review on litigation pertaining to the Biological Opinion for the Federal Columbia River Power System.

BPA Meets Fourth Major Milestone in Response to WECC Directive: On July 31, BPA completed the fourth of six milestones in responding to the July 3 directive of the Western Electricity Coordinating Council (WECC). WECC's directive called for a comprehensive and thorough inspection of all 15,000 circuit miles of BPA's transmission system after a tree contact incident on June 28. The July 31 milestone was the completion of inspection of all of BPA's 200 to 500-kilovolt transmission lines and was met two days before the WECC deadline.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries:
Nothing to report.

VI. FOIA Requests

Request for Meeting Material: On July 29, Douglas J. Albright of the Actuation Test Equipment Company in Winnebago, Illinois, requested meeting agendas and materials for the Hydrosystem Optimization Team from April 2008 to the present.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
August 15, 2008

I. Schedule

August 18 – 22: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. General Counsel Randy Roach will be acting August 18 - 19, Chief Operating Officer Anita Decker will be acting August 20, and Chief Financial Officer Dave Armstrong will be acting August 21-22.

August 27 – 28: Deputy Secretary Jeff Kupfer will visit BPA for a tour of Columbia River hydroelectric facilities and briefings on significant BPA issues.

September 15 – 18: The Administrator will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Long-Term Contracts Release: During the week of August 18, BPA will begin releasing new long-term power sale contract templates for consideration by customers. The contracts are being developed as part of BPA's Long-Term Regional Dialogue Policy and Record of Decision (ROD). BPA has completed public workshops to discuss and take public comment on the contract templates. BPA is scheduled to complete the signing of long-term power sale contracts by the end of the year.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Draft Record of Decision on 2007 Supplemental Wholesale Power Rate Case: On August 21, BPA expects to publish a draft ROD for its 2007 Supplemental Wholesale Power Rate Case. BPA filed its initial rate proposal in February. The proposal describes BPA's approach to responding to decisions by the Ninth Circuit Court of Appeals issued in May and October 2007, regarding the 2000 Residential Exchange Program Settlement Agreements and their treatment in power rates. BPA expects the WP-07 Supplemental proceeding to be completed in time for revised power rates for Fiscal Year 2009 to be effective October 1, 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries:
Nothing to report.

VI. FOIA Requests
Nothing to report

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
August 22, 2008

I. Schedule

August 27 – 28: Deputy Secretary Jeff Kupfer will visit the Bonneville Power Administration (BPA) for a tour of Columbia River hydroelectric facilities and briefings on significant BPA issues.

September 15 – 18: BPA Administrator Steve Wright will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Long-Term Contracts Release: During the week of August 25, BPA will complete its release of new long-term power sale contract templates for consideration by customers. The contracts are being developed as part of BPA's Long-Term Regional Dialogue Policy and Record of Decision (ROD). BPA has completed public workshops to discuss and take public comment on the contract templates. BPA is scheduled to complete the signing of long-term power sale contracts by the end of the year.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

Workshop on Draft ROD for WP-07 Supplemental Rate Case: On August 27, BPA will hold a public workshop to present the preliminary implications of its recently released draft ROD on the WP-07 rate case. BPA released its draft ROD on August 21. The draft ROD presents BPA's draft decisions in response to the opinions issued by the U.S. Court of Appeals for the Ninth Circuit issued in May and October 2007, regarding the 2000 Residential Exchange Program Settlement Agreements and their treatment in power rates. BPA expects the WP-07 Supplemental proceeding to be completed in time for revised power rates for Fiscal Year 2009 to be effective October 1, 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries:

Nothing to report.

VI. FOIA Requests

Inspector General Request for Release Determination: On August 12, BPA received a request from the Department's Office of Inspector General (OIG) related to a Freedom of Information Act request from Mr. Douglas Albright. The OIG asked BPA to determine whether a document related to Mr. Albright's request can be released to him.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
August 29, 2008

I. Schedule

September 15 – 18: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Libby-to-Troy Transmission Line Rebuild Public Meeting: BPA will hold an informational open house in Libby, Montana, on September 4 to discuss the construction schedule of the rebuild of the Libby-to-Troy 115 kilovolt transmission line. BPA has fielded a number of inquiries in the past year from the Montana congressional delegation in response to constituent concerns about the rebuild project.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Completes Response to WECC Directive: By the end of August, BPA expects to have completed its response to the series of directives issued on July 3 by the Western Electricity Coordinating Council (WECC). WECC's directives called for a comprehensive and thorough inspection of all 15,000 circuit miles of BPA's transmission system after a tree contact incident on June 28.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Plans Wind Exchange Agreement: On September 5, BPA will decide whether or not to enter into an agreement with Pacific Gas and Electric (PG&E) to exchange energy from a 90 megawatt wind energy purchase for 10 years. The agreement would provide BPA with the option of acquiring half of that energy after five years. BPA invited public comment on the proposed agreement through August 29.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

U.S. Judge Declines to Form Independent Science Panel for BiOp: Regional media are reporting the outcome of the August 21 status review for litigation on the Biological Opinion (BiOp) for the Federal Columbia River Power System. Plaintiffs in the litigation asked U.S. District Court Judge James A. Redden to appoint an independent scientific panel to review the BiOp. Judge Redden declined to do so. He is expected to rule on motions for preliminary injunction and summary judgment by December.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
September 5, 2008

I. Schedule

September 15 – 18: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Libby Dam Settlement: The U.S. Fish and Wildlife Service, the U.S. Army Corps of Engineers (Corps), the Kootenai Tribe of Idaho, and BPA reached a settlement with the other parties in the Libby Dam white sturgeon litigation. The Center for Biological Diversity and the WildWest Institute, represented by the Western Environmental Law Center, brought the suit and were joined by the state of Montana. While BPA is neither a named plaintiff nor an official party to the settlement, it was included in the settlement discussions because of its role with the Corps as an action agency in the 2006 Biological Opinion on the dam's effects on the white sturgeon.

Media Interest: High

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Good Columbia Salmon Returns: BPA joined the Corps, the Bureau of Reclamation and NOAA Fisheries in a joint press release noting the good returns of adult salmon to the Columbia River in 2008.

VI. FOIA Requests

Request for Source Code: On August 25, Marcelos Dalmas of Florianopolis, SC, Brazil, requested a copy of the source code for the ElectroMagnetic Transients Program.

Request for Contract: On August 28, Diane Chestnut of the Public Utility District Number 2 of Grant County, Washington, requested a copy of the Portland Energy Conservation Incorporated/BPA Energy Smart Grocer contract.

Request from the Department of Energy for Responsive Documents: On August 27, BPA received a request from the Deputy Director, FOIA and Privacy Act Office for responsive documents related to the request submitted by Coby Logen.

Request for Position Names and Titles: On August 25, Anna Dick of Dewey Publications in Arlington, Virginia, requested the names and titles of BPA employees in a variety of positions.

Request for Incident Information: On August 26, Larry Boyd, an attorney in Houston, Texas, requested information related to an accident involving the injury of workers near a BPA transmission line. The incident occurred near Arlington, Washington, on July 27, 2006.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
September 12, 2008

I. Schedule

September 15 – 18: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, DC, for meetings with Administration officials and Northwest Congressional delegation members. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Request for Book: On August 25, Marcelos Dalmas of Florianopolis, SC, Brazil, requested a copy of the Electromagnetic Transients Program – Rule Book.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
September 12, 2008

I. Schedule

Nothing to report.

II. Departmental News

2007 Supplemental Wholesale Power Rate Case: On September 22, the Bonneville Power Administration (BPA) expects to publish its Final Record of Decision (ROD) for its 2007 Supplemental Wholesale Power Rate Case. BPA released its draft ROD in August. The Final ROD will describe BPA's decisions in response to opinions by the Ninth Circuit Court of Appeals issued in May and October, 2007, regarding the 2000 Residential Exchange Program (REP) Settlement Agreements and their treatment in power rates. BPA expects the WP-07 Supplemental proceeding to be completed in time for revised power rates for Fiscal Year 2009 to be effective October 1, 2008.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

MOA Proposed with Shoshone Bannock Tribes: BPA, along with the U.S. Army Corps of Engineers and the Bureau of Reclamation, announced this week that it is proposing to enter into a 10-year agreement with the Shoshone Bannock Tribes on funding commitments for fish recovery, with an emphasis on actions for strengthening Snake River salmon, steelhead and sockeye. Most of the funding would be provided by BPA. The Tribes commit to accomplishing biological objectives with the funds, linked to meeting the agencies' statutory requirements. This agreement is a companion to similar agreements signed earlier this year between the Federal agencies, four Columbia Basin Indian tribes and the states of Idaho and Montana. The parties agree that the Federal government's requirements under the Endangered Species Act (ESA), Clean Water Act, and Northwest Power Act are satisfied for the next 10 years and they will work together to support these agreements in all appropriate venues. The agreements would specifically resolve, for these parties, ESA litigation pending before Judge James Redden of the U.S. District Court of Oregon. BPA is conducting a 30-day public comment on the proposed agreement.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 24, 2008

I. Schedule

Nothing to report.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Meeting Materials: On October 13, Mr. Douglas Albright of Actuation Test Company in Winnebago, Illinois, requested minutes and meeting materials for the meeting of the Hydrosystem Optimization Team on October 2 - 3.

Customer Lists: On October 15, Mr. Ray Tricarico of RKS Research and Consulting in Brewster, New York, requested a list of the customers to whom the Bonneville Power Administration sells electric power.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 31, 2008

I. Schedule

November 3: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. to meet with the Deputy Secretary. Deputy Administrator Steve Hickok will be acting.

November 7: The Administrator will participate in a signing ceremony for a 10-year Federal fish and wildlife funding agreement with the Shoshone-Bannock Tribes. The ceremony will be in Fort Hall, Idaho.

November 12: The Administrator will speak at the Senior Executive Energy Summit in Jackson Hole, Wyoming. Chief Operating Office Anita Decker will be acting.

II. Departmental News

Fish Accords Signing Ceremony: On November 7, following consideration of public comment and the Administrator's Record of Decision, BPA plans to join the U.S. Army Corps of Engineers, the Bureau of Reclamation and the Shoshone-Bannock Tribes for a ceremony to commemorate the Tribes signing the Columbia Basin Fish Accords (Accords). The Shoshone Bannock Tribes join four other Columbia Basin tribes, the states of Idaho and Montana, who signed the Accords in May. The Accords describe a 10-year Federal agency funding commitment for implementation of projects to benefit fish and wildlife.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries
Nothing to report.

VI. FOIA Requests

Use of BPA Airplanes: On October 20, Dan Seligman, an attorney in Seattle, Washington, requested information about the use of BPA airplanes in 2008.

Contract Information: On October 21, Mr. Seligman requested copies and materials related to all contracts between BPA and Washington2Advocates.

Wind Exchange Agreement: On October 21, Dana A. Toulson of the Snohomish County Public Utility District Number 1, requested copies of drafts and the final agreement between BPA and the Pacific Gas and Electric Company for a wind energy exchange agreement.

Review and Release Determination: On October 22, Christopher R. Sharpley, Deputy Inspector General for Investigations and Inspections, requested BPA's review and release determination for an information request from Mr. Bernard Katz.

Energy Forecast Information: On October 24, Garrett Fowler, a student at Stanford University, requested forecasted data for future energy generation by BPA.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
September 26, 2008

I. Schedule

September 30: The Bonneville Power Administration (BPA) Administrator Steve Wright will tour the Alcoa Intalco Works in Ferndale, Washington.

October 10: The Administrator will attend a meeting of the Western Energy Industry Leaders in Salt Lake City.

October 14 – 17: The Administrator will be on annual leave. Chief Operating Officer Anita Decker will be acting.

II. Departmental News
Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries

2007 Supplemental Wholesale Power Rate Case: BPA is conducting extensive regional media outreach on its Final Record of Decision (ROD) for its 2007 Supplemental Wholesale Power Rate Case to revise power sale rates for Fiscal Year 2009. BPA expects the rates to take effect October 1. BPA published its Final ROD on September 23, and has requested expedited interim approval from the Federal Energy Regulatory Commission.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 3, 2008

I. Schedule

October 10: The Bonneville Power Administration (BPA) Administrator Steve Wright will attend a meeting of the Western Energy Industry Leaders in Salt Lake City.

October 14 – 17: The Administrator will be on annual leave. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

BPA Makes 25th Consecutive Annual Treasury Repayment: BPA will announce next week it is making its 25th consecutive annual payment to the U.S. Treasury for Fiscal Year (FY) 2008. The payment is \$963.5 million. This is the full, scheduled annual payment, with interest, plus a prepayment on the U.S. taxpayer investment in the Federal Columbia River Power System which includes the Federal hydroelectric dams and transmission system.

VI. FOIA Requests

Hydrosystem Optimization Team Material: On September 23, Mr. Douglas Albright of Actuation Test Company in Winnebago, Illinois, requested meeting agendas and notes for the Hydrosystem Optimization Team since April 2008, and also the schedule and agendas for meetings for the remainder of FY 2008.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 10, 2008

I. Schedule

October 14 – 17: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Chief Operating Officer Anita Decker will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 17, 2008

I. Schedule

Nothing to report.

II. Departmental News

Alcoa Contract Proposal: The Bonneville Power Administration (BPA) will hold a public workshop on October 20 on a proposed set of terms that, if adopted, would lead to a power sales contract with a regional aluminum plant owned by Alcoa. BPA is seeking public comment through November 10.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 24, 2008

I. Schedule

Nothing to report.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Meeting Materials: On October 13, Mr. Douglas Albright of Actuation Test Company in Winnebago, Illinois, requested minutes and meeting materials for the meeting of the Hydrosystem Optimization Team on October 2 - 3.

Customer Lists: On October 15, Mr. Ray Tricarico of RKS Research and Consulting in Brewster, New York, requested a list of the customers to whom the Bonneville Power Administration sells electric power.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
October 31, 2008

I. Schedule

November 3: The Bonneville Power Administration (BPA) Administrator Steve Wright will be in Washington, D.C. to meet with the Deputy Secretary. Deputy Administrator Steve Hickok will be acting.

November 7: The Administrator will participate in a signing ceremony for a 10-year Federal fish and wildlife funding agreement with the Shoshone-Bannock Tribes. The ceremony will be in Fort Hall, Idaho.

November 12: The Administrator will speak at the Senior Executive Energy Summit in Jackson Hole, Wyoming. Chief Operating Office Anita Decker will be acting.

II. Departmental News

Fish Accords Signing Ceremony: On November 7, following consideration of public comment and the Administrator's Record of Decision, BPA plans to join the U.S. Army Corps of Engineers, the Bureau of Reclamation and the Shoshone-Bannock Tribes for a ceremony to commemorate the Tribes signing the Columbia Basin Fish Accords (Accords). The Shoshone Bannock Tribes join four other Columbia Basin tribes, the states of Idaho and Montana, who signed the Accords in May. The Accords describe a 10-year Federal agency funding commitment for implementation of projects to benefit fish and wildlife.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries
Nothing to report.

VI. FOIA Requests

Use of BPA Airplanes: On October 20, Dan Seligman, an attorney in Seattle, Washington, requested information about the use of BPA airplanes in 2008.

Contract Information: On October 21, Mr. Seligman requested copies and materials related to all contracts between BPA and Washington2Advocates.

Wind Exchange Agreement: On October 21, Dana A. Toulson of the Snohomish County Public Utility District Number 1, requested copies of drafts and the final agreement between BPA and the Pacific Gas and Electric Company for a wind energy exchange agreement.

Review and Release Determination: On October 22, Christopher R. Sharpley, Deputy Inspector General for Investigations and Inspections, requested BPA's review and release determination for an information request from Mr. Bernard Katz.

Energy Forecast Information: On October 24, Garrett Fowler, a student at Stanford University, requested forecasted data for future energy generation by BPA.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
November 7, 2008

I. Schedule

November 10: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

November 12: The Administrator will speak at the Senior Executive Energy Summit in Jackson Hole, Wyoming. Chief Operating Office Anita Decker will be acting.

November 28: The Administrator will be on annual leave. Vice President of Internal Business Services Kim Leathley will be acting.

II. Departmental News

Close of Comment on Proposed Framework for Long-Term Power Sales Contract with Alcoa: On November 10, the public comment period will close on a set of terms proposed by BPA and Alcoa that, if adopted, would lead to a power sales contract with the company for its aluminum smelter in Washington. BPA and Alcoa released the proposal for comment in October.

Media Interest: Medium

Contact: Sonya Baskerville 202-586-5640

U.S. District Court Judge to Tour Mitigation Sites: On November 13, U.S. District Court Judge James A. Redden will visit watershed habitat projects funded by BPA as part of the long-term funding agreement of the Columbia Basin Fish Accords. Judge Redden is presiding over litigation on the Biological Opinion for the Federal Columbia River Power System. The Judge is responding to an invitation by the Confederated Tribes of the Warm Springs Reservation of Oregon to tour habitat sites that are being treated to improve fish survival. BPA is participating in the tour with the Department of Justice and the Bureau of Reclamation. All Parties to the NWF v NMFS litigation have been invited to attend.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
November 14, 2008

I. Schedule

November 28: The Bonneville Power Administration Administrator Steve Wright Administrator will be on annual leave. Kim Leathley, Executive Vice President, Internal Business Services will be acting.

II. Departmental News
Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)
Nothing to report.

IV. Progress on EPACT Deliverables
Nothing to report.

V. Press Inquiries
Nothing to report.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
November 21, 2008

I. Schedule

November 28: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Kim Leathley, Executive Vice President, Internal Business Services will be acting.

II. Departmental News

Quarterly Business Review: BPA will hold its first Quarterly Business Review (QBR) with customers and other interested parties on November 24. BPA intends the QBR to be a forum to provide current financial forecasts, current financial results compared to forecasts, periodic updates to capital plans as they change, and information on upcoming issues that could have impact on future financial results.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Nothing to report.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
November 28, 2008

I. Schedule

Nothing to report.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Request for Agency Directories: On November 20, Ken Hood, of the Technology Train Corporation in El Segundo, California, requested current Bonneville Power Administration organizational charts, telephone books, and listings of key personnel by function.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
December 5, 2008

I. Schedule

December 26 – January 2: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave.

II. Departmental News

Presentation of Network Open Season Study Results: On December 10, BPA will present the first financial results of its cluster studies of transmission service requests received in BPA's first Network Open Season (NOS) held earlier this year. BPA presented initial cluster study results in November that estimated it could meet all 6,410 megawatts (MW) of preliminary service agreements with seven transmission projects with an initial estimated direct cost of \$1.5 billion. BPA will undertake more detailed financial studies to confirm the estimated project costs. Of the 6,410 MW of agreements received in the NOS, 4,716 MW were from wind projects.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

BPA Contracts: On November 24, Keith Ashdown of Taxpayers for Common Sense in Washington, D.C. requested a copy of BPA's response to Freedom of Information Act request number 08-32. That request related to BPA contracts with Washington2Advocates.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
December 12, 2008

I. Schedule

December 26 – January 2: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Mike Weedall, Vice President for Energy Efficiency, will be acting on December 29; Chief Operating Officer Anita Decker will be acting December 30 – January 2.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Request for Source Code: On December 1, Wei Xu of London, Ontario, Canada, requested the source code of EMTP 2 and a 1994 cable parameters rule book.

Hydro Optimization Team Meeting Material: On December 1, Douglas Albright of the Actuation Test Company in Winnebago, Illinois, requested meeting materials from the October 2 – 3 meeting of the Hydro Optimization Team.

BPA Contracts: On December 1, Keith Ashdown of Taxpayers for Common Sense in Washington, D.C. requested a copy of BPA's response to Freedom of Information Act request number 09-004. That request related to BPA contracts with Washington2Advocates.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
December 19, 2008

I. Schedule

December 29 – January 2: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Mike Weedall, Vice President for Energy Efficiency, will be acting on December 29; Chief Operating Officer Anita Decker will be acting December 30 – January 2.

January 12 – 16: The Administrator will be on annual leave. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

BPA Surpasses Energy Conservation Target: Preliminary estimates of BPA's energy efficiency programs show that BPA captured approximately 76 average megawatts (aMW) of electricity conservation savings in Fiscal Year 2008. That is the equivalent of the amount of electricity to power 65,000 homes in the Pacific Northwest. BPA's target for the year was 52 aMW.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

BPA Records Record Wind Generation on Power System: On December 12, BPA recorded 1,517 megawatts (MW) of wind energy generated in its balancing authority. This is a new record for the system. Wind generation on BPA's system has accelerated from peaks of 250 MW in 2005 to the first recording of 1,000 MW just a year ago. For comparison, 1500 MW is half again enough electricity to power Seattle.

Media Interest: Low

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Nothing to report.

VI. FOIA Requests

Request for Information on Proposed Wind Energy Exchange Agreement:

December 8, David Mills of Puget Sound Energy requested documents related to a proposed wind energy exchange between BPA and Pacific Gas and Electric Company

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
December 24, 2008

I. Schedule

December 29 – January 2: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Mike Weedall, Vice President for Energy Efficiency, will be acting on December 29; Chief Operating Officer Anita Decker will be acting December 30 – January 2.

January 12 – 16: The Administrator will be on annual leave. Deputy Administrator Steve Hickok will be acting.

II. Departmental News

Nothing to report.

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Record Electricity Demands in the Pacific Northwest: There was extensive regional media coverage of BPA's report that the Federal power system was meeting record demands for electricity during cold weather last week. The Northwest Power Pool recorded that regional electricity demand reached a peak of 63,253 megawatts on December 15. BPA reported that it responded to forecasts of frigid weather by making advance power purchases and coordinating with the U.S. Army Corps of Engineers and the Bureau of Reclamation, who operate the Northwest's Federal dams, to adjust maintenance schedules and reservoir flexibility to help meet the demand.

VI. FOIA Requests

Corps of Engineers Operating Costs: On December 18, Terry B. Armantrout, of The Dalles, Oregon, requested copies of letters between BPA and the U.S. Army Corps of Engineers (Corps) concerning operation and maintenance costs at Corps facilities.

Large Generation Interconnection Agreement: On December 18, Ann Fisher, of Portland, Oregon, requested documents related to large generation interconnection agreements signed by BPA.

VII. Grants, Economic Announcements, and Publications

Nothing to report.

BONNEVILLE POWER ADMINISTRATION WEEKLY REPORT
December 31, 2008

I. Schedule

January 12 – 16: The Bonneville Power Administration (BPA) Administrator Steve Wright will be on annual leave. Deputy Administrator Steve Hickok will be acting.

January 20: The Administrator will meet with Fitch Ratings for its annual visit to BPA for purposes of updating the agency's credit rating.

January 21: The Administrator will meet with Standard and Poor's for its annual visit to BPA for purposes of updating the agency's credit rating.

January 23: The Administrator will meet with Moody's for its annual visit to BPA for purposes of updating the agency's credit rating.

II. Departmental News

Governor Appoints BPA Administrator to Energy Council: Oregon Governor Ted Kulongoski has appointed the BPA Administrator to the newly-created Oregon Energy Planning Council (council). The 11-member council, which includes utility, industry, education and public interest group leaders, is charged with providing proactive analysis, advice and assistance on energy planning. By December 31, 2010, the council will issue a report to the Governor and the Oregon Legislature on Oregon's current energy use and supply and short, medium and long range energy plans and alternatives for meeting Oregon's energy demands.

Media Interest: Moderate

Contact: Sonya Baskerville 202-586-5640

III. Upcoming Events or Matters of Secretarial Interest (7-day advance)

Nothing to report.

IV. Progress on EPACT Deliverables

Nothing to report.

V. Press Inquiries

Ninth Circuit Court Ruling on BPA Service to Direct Service Industrial (DSI)

Customers Draws Inquiries: Regional press outlets and energy industry trade press have reported on the recent Ninth Circuit Court's decision on BPA service to its DSI customers. News reports have been relatively neutral, focusing primarily on the Court's decision and the restrictions it placed upon BPA for future service to the two Northwest aluminum manufacturers and one paper mill affected by the decision.

VI. FOIA Requests
Nothing to report.

VII. Grants, Economic Announcements, and Publications
Nothing to report.