

journal

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New deadline for federal hydro plans

On Dec. 12, U.S. District Court Judge James Redden met with federal agencies and other stakeholders to respond to the agencies' latest draft biological opinions and proposed actions for hydro operations in the Columbia River Basin.

U.S. Department of Justice Attorney Robert Gulley provided an overview to the court about the proposed biological opinions. Other parties also expressed their points of view on the draft plans for federal hydro operations on the Columbia and Snake rivers and related measures to support salmon recovery.

After listening to several hours of comments, Judge Redden said he intended to keep the issue moving forward while also allowing time for parties to provide thoughtful additions to this important document. Redden set a deadline of Jan. 4 for parties to submit additional comments on the draft plans and a deadline of March 18 for the federal agencies to deliver the final biological opinions.

"While some parties were critical of the federal agencies' draft plan, many others said the federal plan represents substantial progress from the 2004 plan and believe the collaborative process deserves to be given a chance to succeed," said Steve Wright, BPA administrator. "Specifically, the upper river tribes, the lower river tribes, and the states of Washington, Montana and Idaho indicated that the draft plans provide a good foundation that we can work from. Judge Redden, after hearing from the various parties, expressed that the collaboration had worked even better than he had expected."

For background and additional perspective on the new draft plans as well as the Ninth Circuit Court's actions to date, visit www.salmonrecovery.gov.

BPA proposes interim payments

BPA is proposing interim payments totaling \$322 million to Northwest public and investor-owned utilities while the agency continues to work with the region to establish a long-term Residential Exchange Program. The REP is used to distribute financial benefits of the Federal Columbia River Power System to the residential and small farm consumers of the region's utilities that have relatively high average system costs, primarily investor-owned utilities.

On May 3, 2007, the U.S. Ninth Circuit Court of Appeals ruled that BPA exceeded its settlement authority in 2000 when it executed the REP settle-

ments with six IOUs, holding that BPA's decision to allocate the costs of the settlements to publicly owned utilities was not in accordance with the law. The court remanded the issue back to BPA.

As a result of the court's decisions, BPA suspended approximately \$28 million a month in program benefits to the IOUs. Because BPA cannot change rates outside a formal rate process, BPA is continuing to collect that \$28 million a month from its publicly owned utility customers. This has left BPA with larger financial reserves than it needs to manage its business.

BPA has begun to address the court rulings, but the formal processes will not conclude until early fall 2008. Because BPA's formal processes will not allow determination of final REP benefits or other adjustments until Oct. 1, 2008, BPA believes the region should consider interim payments to both sets of parties. BPA expects to true-up the payments to utilities once the formal process is complete.

BPA is taking public comments on the proposed interim agreements through Jan. 7. If finalized, the agreements could be sent to the utilities for signature in January. Utilities could receive their interim payments as soon as five to 10 working days after signing agreements.

The proposed interim agreements for the utilities are posted at www.bpa.gov/power/pl/regionaldialogue/implementation/Correspondence/.

BPA also has a variety of background materials available at www.bpa.gov/corporate/BPANews/Perspective/2007/ResExchRuling/.

BPA meets 2007 conservation goals

BPA's energy conservation programs yielded an estimated 52 average megawatts of electricity savings in fiscal year 2007, enough power to energize 44, 200 homes. BPA not only met its goal for the year, but exceeded the energy savings achieved in 2006 by 14 percent.

One incentive BPA uses to encourage utilities to save energy and develop renewable resources is the Conservation Rate Credit. Customers who take advantage of this incentive receive a reduction on their monthly BPA power bill.



Across the region, the majority of energy savings came in the way of more efficient lighting, such as the use of compact fluorescents, which provide the same amount of light as a 100 MW light bulb with one-fifth of the power. This is a small change that can make a significant difference, and it's something everyone can do. You can take a pledge to "Change a Light, Change the World" at the Energy Star Web site, www.energystar.gov. Take the pledge and tell them DOE-Bonneville Power Administration referred you.

Aluminum shunts more efficient

BPA is using a new method that allows transmission lines to carry more electricity capacity while also meeting more stringent outage standards. By installing aluminum shunts, BPA was able to increase the amperage of one of its 230-kV lines at far less cost than rebuilding and replacing existing equipment.

Aluminum shunts are strands of aluminum added to a transmission line that provide another path for current to travel through to relieve strain on key line components. With the shunts, the 230-kV line can handle a peak capacity of 1,500 amps, up from a previous capacity of 1,070 amps.

The modifications arose out of a need to integrate the output from the Mint Farm natural gas-fired power plant in Longview, Wash., into the Northwest electricity grid. BPA originally considered completely rebuilding and replacing the existing conductor, but found that installing shunts would accommodate the added output without a rebuild.

"Any time we can modify an existing line and increase the capacity of our power grid in the process, it is a significant step in the right direction," said Brian Silverstein, BPA vice president of Planning and Asset Management. "This is a great example of using innovation to save money while avoiding new construction, ultimately benefiting electricity consumers in the Northwest."

Coordination aided storm recovery

The December storms that blew through the region wreaked havoc on BPA's transmission system. At its height, the storm took 71 sections of BPA power lines out of service and left thousands of customers from south of Tillamook, Ore., to Port Angeles, Wash., without power.

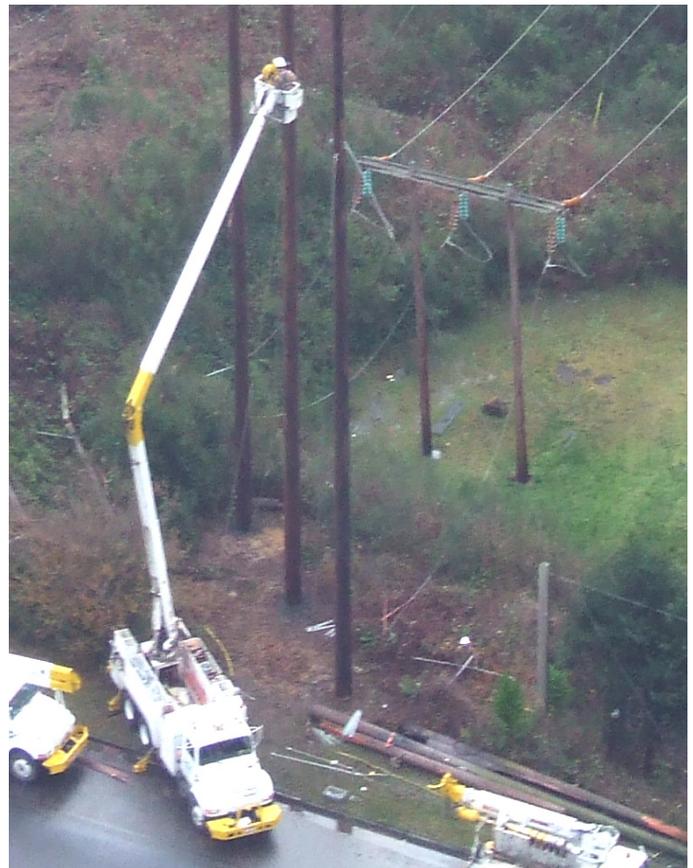
The coordination of different organizations within BPA, including the Transmission Business Line and Media Services, as well as external customers enabled the agency to efficiently repair damage to its high-voltage power lines and keep the public informed of progress.

BPA crews immediately took action to repair the

downed lines. Helicopters were used to get aerial views of the damage and prioritize the recovery effort based on need and the safety risks to crews. As workers began to repair lines, they still faced remnants of the storm, increasing the chance of on-the-job accidents. BPA's strong safety ethic, however, contributed to the agency's ability to complete the repairs with no major injuries to workers. "The credit for what we were able to accomplish, despite the elements, belongs to both BPA crews and other field utility crews who worked safely together to restore power," said Robin Furrer, BPA Transmission Field Services vice president.

By Dec. 4, BPA had repaired enough of its high-voltage power lines to restore power to all of its customers. However, given the extensive nature of the damage done to some spans of line, repairs on segments of BPA power lines continued well into the month.

Prior to the storm, BPA conducted an exercise to test the agency's emergency communications plan. The practiced coordination assured BPA's ability to effectively communicate during a crisis and allowed the agency to provide the best possible level of service to the region during an actual event.



Crews work to restore power outside of Seaside, OR after a massive winter storm.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program - Okanogan County, Wash

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Tribes of the Colville Reservation to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The use of the proposed facilities to reintroduce spring chinook salmon in the Okanogan subbasin is also being considered. The program would augment the ceremonial and subsistence harvest of salmon for the Colville Tribes. This program would be designed to have no effect on Chief Joseph Dam operations. Public meetings on the draft EIS were held, and comments were accepted through June 18, 2007. A final EIS is planned for February 2008 and a ROD is expected by April 2008. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA is preparing an EIS for the proposed Lyle Falls Fish Passage Project. The project addresses the modification and upgrade to the existing fishway in order to improve fish access to spawning habitat in the upper reaches of the Klickitat River and meet state and federal fish passage standards. The project would also facilitate the collection of valuable biological information. The draft EIS is being finalized with a scheduled release to the public in winter 2008. A public meeting to take comments will follow. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

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

BPA has conducted value engineering, land acquisition and final design according to the initial ROD signed March 11, 2005. A ROD authorizing construction is planned for winter 2008. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

POWER – PROJECTS UNDER REVIEW

Regional Dialogue Policy Implementation – Regionwide

BPA released the Long-Term Regional Dialogue final policy and ROD in July and began a series of implementation workshops focused on product development. Those workshops concluded in early December and BPA has begun to focus on drafting the Tiered Rate Methodology. For more information on the Regional Dialogue Policy Implementation, see BPA's Web site: www.bpa.gov/power/pl/regionaldialogue/implementation/.

TRANSMISSION – PROJECTS UNDER REVIEW

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

BPA will replace poles on a section of the Albeni Falls-Sand Creek transmission line in northern Idaho and perform other upgrades to improve the reliability of the line. Approximately 340 wood poles will be replaced along about 25 miles of the

existing transmission line. The project area is on an existing right-of-way from the Albeni Falls Dam to one mile north of BPA's Sandpoint Substation. In addition, 17 miles of the line will be reconducted to a larger conductor. Although construction would not begin until 2008 or 2009, BPA employees or contractors will be in the area through the summer performing various activities in support of the project, such as surveying for cultural resources and noxious weeds as well as reviewing the area for dangerous trees. An informational open house was held Aug. 16, 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Caribou-Lower Valley Project (includes Hooper Springs Substation) – Caribou County, Idaho

BPA is proposing to build, own, operate and maintain the new Hooper Springs 138/115-kV substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation (Threemile Knoll) to improve service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley Substations. BPA is proposing to help fund this transmission line with a third-party financing arrangement. BPA held a public scoping meeting Nov. 1, 2007 to discuss the proposed project. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Caribou/.

Cascade Wind Interconnection Project – Wasco County, Ore.

BPA has been asked by UPC Oregon Wind, LLC to interconnect up to 50-MW of electricity generated from UPC's proposed Cascade Wind Project. UPC would independently build, own and operate the wind project and its associated facilities. The Oregon Energy Facility Siting Council has siting and approval jurisdiction over the proposed wind project. If UPC's project is approved, BPA proposes to construct a new switchyard and tap beneath BPA's existing Hood River-The Dalles 115-kV transmission line. Comments were accepted through Aug. 10, 2007. BPA is preparing an environmental review. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/default.cfm?page=cascade.

Chehalis-Centralia Transmission Line Rebuild – Lewis County, Wash.

BPA is proposing to rebuild a portion of its 69-kV transmission line to a 115-kV design to address increased industrial loads and other load growth in the area. The line extends from the Chehalis Substation about 15 miles north to the Centralia Substation. The portion to be rebuilt under this project would include only the first 12 miles from Chehalis to Ford's Prairie Tap. Proposed activities include upgrading segments of existing access roads, removing and replacing existing structures and installing new conductor (wires). A minor reroute of less than one mile will likely be needed near Ford's Prairie Substation to accommodate planned Port of Centralia developments. BPA is currently conducting an environmental review. Once the review is complete, BPA will decide whether and how to proceed with the project. If BPA decides to proceed, construction would likely begin in spring 2008 with scheduled completion November 2008.

Columbia-Ellensburg Transmission Line Upgrade – Kittitas County, Wash.

BPA's Columbia-Ellensburg 115-kV transmission line needs upgrades to address line overloads in the area. The portion of line that needs to be upgraded extends from the Ellensburg Substation about 10 miles north to the Schultz Substation and

then approximately four miles east toward the Columbia Substation. All existing wood poles and associated hardware would be replaced. Most new poles would be located in or as close to existing holes as possible. A portion of the existing conductor may be replaced to meet current industry standards. Three switches would also be replaced. Some existing access roads may need improvements and additional access routes may need to be purchased. BPA will conduct environmental field surveys to complete the environmental review. If BPA decides to proceed with the project, construction would likely begin in spring 2008 with a scheduled completion date of June 2009.

Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.

BPA is proposing to rebuild a 17-mile section of the Libby-to-Bonniers Ferry 115-kV transmission line to improve reliability and meet future load growth in Lincoln County, Mont. BPA issued a draft EIS on July 20, 2007 and held a public meeting Aug. 15, 2007. Comments were accepted through Sept. 4, 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

McNary-Badger Canyon Transmission Line Rebuild – Benton County, Wash.

BPA is proposing to rebuild its McNary-Badger Canyon 115-kV transmission line outside of Kennewick, Wash. The line extends 18.3 miles from the river crossing north of McNary Substation northeast and then west toward Badger Canyon. The line was built in 1949 and many of the wood poles and cross arms are in need of replacement. In addition, BPA was requested by Energy Northwest to interconnect 32 MW from the Nine Canyon wind farm near Kennewick, Wash. BPA needs to upgrade the McNary-Badger Canyon transmission line to provide the wind farm adequate transmission capacity and prevent overload on the line. Construction activities would include adding a new transformer at the Nine Canyon Tap, replacing most of the wood poles with new wood poles that are five to 10 feet taller than the originals and replacing the wire. BPA is currently conducting an environmental review, including cultural resource surveys of the proposed project area. If BPA decides to proceed with the project, construction could begin in spring 2008.

Olympic Peninsula Reinforcement Project – Thurston and Mason Counties, Wash.

BPA is proposing to replace a 14.5 mile portion of an existing 115-kV transmission line between Olympia and Shelton Substations with a double-circuit 230-kV line. This project would also require adding equipment at the two substations. This would improve voltage stability during winter-peak load conditions on the Olympic Peninsula. BPA expects to release a preliminary EA this month and will accept comments at that time. If no significant impact is found in the EA and BPA decides to proceed with this project, construction could begin early this year. For updates and more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Palisades-Goshen Transmission Line Rebuild – Bonneville and Bingham Counties, Idaho

The Palisades-Goshen 115-kV transmission line was built in 1949. The line extends from Palisades Dam in eastern Idaho approximately 52 miles west to BPA's Goshen Substation south

of Idaho Falls, Idaho. The majority of the wood poles and cross arms are in need of replacement. BPA proposes to rebuild this line due to its age and deteriorated condition to ensure safe and reliable transmission service. Field work has been completed and BPA expects to issue an EA in early 2008. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Port Angeles Juan de Fuca Transmission Project – Port Angeles, Wash.

BPA released the final EIS Oct. 4. The EIS evaluates the request from Sea Breeze Olympic Converter LP to interconnect a 550-MW transmission cable to the Federal Columbia River Transmission System. The cable would run from Vancouver Island, B.C., across the Strait of Juan de Fuca to Port Angeles, Wash. BPA expects to issue a ROD this month to determine if it will allow the interconnection. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.

BPA proposed to interconnect 122 MW of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. The proposal includes constructing a new 230-kV substation (Pinto Ridge) in Grant County and a new communications site (Banks Lake) in Douglas County. It also includes construction of six miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, three miles of new 115-kV transmission line between Summer Falls and Pinto Ridge and a new 115-kV substation adjacent to the proposed substation. Seattle City Light and Tacoma Power requested the interconnection, but are currently evaluating other alternative actions. This project is on hold. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

SUPPLEMENT ANALYSES.

SA 348-Chehalis-Raymond No. 1, Chehalis-Olympia No. 1, Chehalis-Mayfield No. 1, Chehalis-Centralia No. 2, Chehalis-Covington. No. 1 and the Raymond-Cosmopolis No. 1, Lewis, Pacific and/or Thurston Counties, Wash.

SA-349-Santiam-Alvey No. 1 & 2, Linn and Lane Counties, Ore.

SA-350-Chief Joseph – Sickler No. 1, Douglas County, Wash.

SA-351-Satsop Park – Cosmopolis No. 1, Grays Harbor County, Wash.

SA-352-John Day – Marion No. 1, Wasco County, Ore.

SA-353-Jones Canyon – Santiam, Wasco County, Ore.

CALENDAR OF EVENTS

To view BPA's Public Involvement calendar, visit this link: www.bpa.gov/corporate/public_affairs/Calendar/.

CLOSE OF COMMENT

Jan. 7 – Proposal for interim Residential Exchange Program payments

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

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

