

JOURNAL

A MONTHLY PUBLICATION OF THE BONNEVILLE POWER ADMINISTRATION

September 2002

A summer of seeking Northwest views

BPA continues to take public comments on several major issues of concern to people throughout the Northwest, most notably, the agency's difficult financial choices for 2003-2006. Broad public meetings around the region in August on BPA's financial choices drew dozens of people. Generally, BPA's utility customers have been emphasizing the economic impact of higher power rates, while fish and energy conservation advocates have been stressing the importance of BPA's programs in those areas.

Meanwhile, BPA's financial situation has, if anything, slipped further. Current revenue projections suggest the agency could lose more than \$1 billion through 2006 absent significant action. The difficult choices remain: raise rates, cut programs, push out the problem by borrowing or take greater risk of not paying the U.S. Treasury in some years. For details on comment opportunities, see the back page.

It's performance that counts for fish

When it comes to implementing the biological opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service, it's performance that counts. BPA, the U.S. Army Corps of Engineers and the Bureau of Reclamation have a draft plan to do just that. The agencies' "Draft 2003-2007 Implementation Plan for the Federal Columbia River Power System" describes actions the agencies propose to take to avoid jeopardizing the survival of endangered salmon, steelhead, white sturgeon and bull trout affected by the Federal Columbia River Power System. The draft implementation plan stresses the importance of performance measures to gauge whether targeted actions work as intended.

"What counts is results for fish," Lori Bodi, BPA's senior policy advisor on fish issues explained. "We set our priorities around what will help improve survival of fish as they move through the hydro system," Bodi said. The



Columbia River reservoirs, such as Hungry Horse above, refilled this year, a welcome change from last year's drought. The final, official runoff for January-July 2002 is 103.75 million-acre-feet, 97 percent of the 30-year norm, for the Columbia River measured at The Dalles. The water year ended July 31.

performance standard for the hydro system is to improve fish survival by 5 to 10 percent. For details, see <http://www.salmonrecovery.gov/>.

Fish efforts are on track NMFS finds

Federal work to implement an ambitious 10-year salmon recovery program is on track, according to the National Marine Fisheries Services. NMFS found that 173 of 199 plans and actions by key federal agencies are poised to meet initial program benchmarks in 2003. NMFS' report, "Findings Regarding Ad-

equacy of the FCRPS* Action Agencies, 2002 Annual Implementation Plan," tracks hydro system, habitat, hatchery, harvest and research and monitoring measures throughout the Northwest. "This represents an important first step forward in the region's commitment to boost survival of fish listed as threatened or endangered under the Endangered Species Act," said Bob Lohn, NMFS regional administrator. For details, see www.salmonrecovery.gov.

**Federal Columbia River Power System*

BPA buys ranch for fish habitat, will stay on local tax rolls

Some of the best spring chinook spawning gravel in Oregon will soon provide protected habitat for even more fish. That gravel is part of the 4,295-acre Forrest Ranch, along the Middle Fork of the John Day River, which BPA has purchased for \$3.9 million on behalf of the Confederated Tribes of the Warm Springs Reservation. The tribes propose to manage the land for the benefit of fish and wildlife while still grazing cattle in the area. Revenue from ranch operations will help pay for improvements to the land and allow the ranch to stay on the county tax rolls with the same agricultural status it had prior to the sale.



ConAug cuts cool deal for apples, pears and energy efficiency

Thanks to BPA's ConAug (conservation augmentation) program, fruit growers in Washington's Okanogan Valley will keep their stored crops cool for fewer watts in years to come. And BPA will stretch its power supply at low cost. Okanogan PUD and BPA signed contracts last week to provide up to \$600,000 for energy conservation improvements at MAGI Inc. MAGI is a grower-owned cooperative that annually packages 3.5 million boxes of apples, pears and cherries. The company will invest over \$1 million in energy-efficiency measures in the next six months. Measures include energy-efficient motors, computer controls, fast-acting doors, heat recovery systems, evaporative condensers and other upgrades at fruit storage facilities in Brewster, Pateros and Okanogan, Wash. These measures are estimated to save an average 500 kilowatts, enough energy to supply over 200 homes. Okanogan PUD has agreed to reduce its purchase from BPA by the amount conserved.

Fires spare BPA lines but cause sporadic outages

Western wildfires have burned under and around BPA facilities in several areas of southern Oregon and along the Columbia River in the past few weeks, causing some power outages and brief reductions in line capacity, but leaving little significant damage to BPA transmission hardware. Fires burned right under several BPA lines, including portions of the alternating-current and direct-current intertie lines to California. Wildfires also passed within yards of BPA's Chenoweth and Summer Lake substations and a microwave tower, and burned up to the switchyard rock at the Celilo Converter Station in The Dalles, Ore.

Vandalism becomes a federal case as incidents follow pattern

The person who has been shooting out insulators on BPA's Hills Creek-Lookout Point 115-kilovolt line in western Oregon may be too good for his or her own good. "We've noticed a distinct pattern," said Kirsten Kler, BPA security officer. Due to the severity and persistence of the incidents, the Federal Bureau of Investigation is now involved. Because the BPA line is federal property, the culprit can be charged in federal courts. Three recent incidents on the line have caused a forest fire and darkened the towns of Oakridge and Westfir. Not counting the fire fighting, the incidents have caused about \$40,000 in repairs and loss of power sales. Anyone with information on these incidents is asked to call BPA Crime Witness at 1-800-437-2744.

FERC proposed standard market design rulemaking called "historic"

On July 31, the Federal Energy Regulatory Commission proposed a standard market design for the nation's wholesale electricity markets. Reflecting the 600-page document's heft, complexity and historical portent, the press immediately pegged it the "giga-NOPR." FERC's staff refers to the Standard Market Design NOPR as the "third leg of a three-legged stool" to carry out mandates of the National Energy Policy Act of 1992 in restructuring the nation's electricity markets. The other legs are FERC Orders 888 /889 and Order 2000, which opened wholesale energy markets to competition and established open, non-discriminatory access to transmission lines. FERC is taking public comments on its new proposal through Oct. 15. Details are posted at http://www.ferc.gov/Electric/RTO/Mrkt-Strct-comments/discussion_paper.htm#NOPR.

PUBLIC INVOLVEMENT Updates and Notices

NEW PROJECTS

Noxon to Kalispell (Libby Loop Section) Fiber Optic Cable Project

BPA plans to add fiber optic cable to some of the existing transmission lines between the Noxon Communications Hut in Sanders County, Mont., and the Libby Substation located in Lincoln County, Mont. The project route is approximately 23 miles in length. This fiber optic cable installation will complete work that was started last year. The cable, which ranges from ¾ to 1 inch in diameter, will be attached to each transmission structure along the route. Work will be ongoing through September 2002.

Southwest Washington/Northwest Oregon Reinforcement 500-kV Line Project

BPA is proposing to build a 500-kilovolt transmission line that would eliminate a transmission constraint by reinforcing the bulk transmission grid along portions of western Washington and northwestern Oregon. This project would create a transmission system flexible enough to meet the growing demand for reliable and affordable electricity in Oregon and Washington. Public scoping meetings scheduled for September and October. See *calendar of events on back page*.

ONGOING PROJECTS

Cliffs Energy Project ROD – Klickitat Co., Wash.

BPA is analyzing possible transmission integration services for a combustion turbine proposed by GNA Energy LLC. The company would build the power plant, five miles of new natural gas line and 700 feet of 230-kV transmission line to BPA's Harvalum Substation. Klickitat County issued a new Mitigated Determination of Non-Significance on June 6 for the power plant project. BPA did not receive any comments on the proposal during the comment period that closed July 8. A Record of Decision is expected this fall.

COB Energy Facility Interconnect EIS – Klamath Co., Ore.

Peoples Energy Resources Corp. has requested interconnection of its proposed 1,200-MW combustion turbine project at a site near Bonanza in Klamath Co., Ore. The project would require a new 500-kV transmission line to BPA's Captain Jack Substation. The project is subject to Oregon Energy Facility Siting Council certification. The draft EIS is scheduled for publication this fall.

Conservation and Renewables Discount (C&RD) Program

The public comment period on C&RD program requirements and technical information began in June. This is a yearly opportunity for BPA customers, constituents and other interested parties to offer petitions to improve C&RD policy, program implementation and technical issues. Petitions were due on June 15. Copies of the C&RD Manual can be found on BPA's Web site at http://www.bpa.gov/Energy/N/projects/cr_discount/index.shtml. BPA held two public meetings in July. Comments on the proposed changes offered for the C&RD were due Aug. 9.

Fed. Columbia River Power System Implementation Plan

This federal draft plan for Columbia River Power System Operations in 2002-2006 would carry out biological opinions issued under the Endangered Species Act. See www.salmonrecovery.gov.

Fiscal Year 2003 to 2006 Financial Choices Public Process

BPA has opened public comment on a variety of financial and program options for FY 2003-2006. Earlier this year, BPA sent letters to the region describing the difficult financial circumstances BPA is currently facing. There is also a strong potential for poor financial results into the future absent significant action. The public comment period is intended to engage the region's input as BPA works to identify the right mix of choices necessary to balance public responsibilities, rates, reliability, risk and financial integrity. The comment period is open until Sept. 30. Public meetings were held in August. Further information may be found at <http://www.bpa.gov/power/pspr/rates/announcements.shtml>. Send written comments to David Basaraba, PL-6, Bonneville Power Administration, PO Box 3621, Portland OR 97208-3621; fax comments to (503) 230-3613; or e-mail comments to financialchoices@bpa.gov.

Fish and Wildlife Implementation Plan EIS – Regionwide

This EIS examines potential impacts of implementing any of the fish and wildlife policy directions being considered in regional processes. The final EIS is expected later this year.

Grand Coulee-Bell 500-kV Transmission Line (Eastern Washington Reinforcement) EIS – Wash.

This project would replace about 84 miles of 115-kV transmission line with a new, higher capacity 500-kV line. The proposed line would connect BPA's Bell Substation in Spokane to the Bureau of Reclamation's switchyard at Grand Coulee Dam. It would be located primarily on existing BPA right-of-way. A draft EIS is available. Public meetings are scheduled for September. See *calendar of events and close of comment*.

Grande Ronde and Imnaha Spring Chinook Project EIS – Wallowa and Union Cos., Ore.

This project would build fish trapping, rearing and release facilities to help restore spring chinook in the Lostine and Imnaha rivers of northeast Oregon. Planned facilities would modify and supplement existing Lower Snake River Compensation Plan facilities. A summary of the comments is available on request. A draft EIS will be available for comment later this year.

Grizzly Generation Project EIS – Jefferson Co., Ore.

Cogentrix proposes to build a 980-MW combined-cycle combustion turbine power plant and has requested interconnection at BPA's Grizzly Substation. An EIS will evaluate natural gas, water pipeline and transmission easements for facilities servicing the project. The U.S. Forest Service is the lead federal agency; BPA and the Bureau of Land Management are cooperating. Oregon EFSC is conducting a coordinated state siting process. Grizzly Power's site application to Oregon EFSC is expected to be completed in fall 2002. The Oregon Office of Energy must find the application complete before it can conduct its formal review of the application for site certification.

Horse Heaven Wind Project EIS – Benton Co., Wash.

BPA proposes to purchase up to 50 aMW from a 225-MW wind project proposed by Washington Winds Inc. The developer would build, own and operate the project and would build about 12 miles of transmission line to interconnect with BPA's transmission grid.

Johnson Creek Artificial Propagation Enhancement EA – Valley Co., Idaho

This project seeks to recover the creek's depleted native summer chinook salmon population. It would include additional facilities at the McCall Fish Hatchery in McCall, Idaho, and acclimation facilities along Johnson Creek. An EA will be available for public comment this fall.

Kangley-Echo Lake Transmission 500-kV Line Project – King and Kittitas Cos., Wash.

BPA proposes to build a 500-kV transmission line to connect an existing transmission line near Kangley to BPA's Echo Lake Substation in western Washington. BPA's preferred alternative would run parallel to the major portion of the Raver-Echo Lake 500-kV line. The project is needed to improve transmission system reliability and to enhance BPA's ability to meet treaty requirements with Canada. BPA is preparing a supplemental draft EIS (SDEIS) that will analyze four alternatives not considered in detail in the draft EIS. Six public meetings were held in June and July to take comments on the scope of the SDEIS. The SDEIS will be released for a 45-day public and agency review in January 2003. Public meetings will follow.

Maiden Wind Farm EIS – Benton and Yakima Cos., Wash.

Washington Winds Inc. proposes to build and operate a wind project of up to 494 MW north of Prosser. BPA proposes to acquire and transmit up to 50 aMW, but will study the full electrical output of the project. The draft EIS is available. See www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/MaidenWindFarm.

McNary-John Day 500-kV Line Project – McNary to John Day dams, Ore. and Wash.

BPA proposes to build about 79 miles of new 500-kV transmission line parallel to existing BPA lines between McNary and John Day substations. The line would cross the Columbia River below McNary Dam, run parallel to the north side of the Columbia through Benton and Klickitat counties and cross back into Oregon near John Day Dam. It is needed to integrate some of the many new generating projects considered for this area and to reinforce transmission reliability. A final EIS will be available this fall.

Plymouth Generating Facility EIS – Benton Co., Wash.

Plymouth Energy requested interconnection of its proposed 306-MW combustion turbine project near Plymouth in Benton Co., Wash. BPA is preparing a joint NEPA/SEPA EIS with Benton Co. A draft EIS is scheduled to be released at the beginning of this month. See *calendar of events on back page*.

Raymond-Cosmopolis 115-kV Transmission Line EA – Grays Harbor and Pacific Cos., Wash.

BPA proposes to rebuild an existing 115-kV transmission line between Raymond and Cosmopolis, roughly parallel to Hwy. 101. Most of the 18-mile-long line will remain in existing right-of-way. A preliminary EA will be available for public review in fall 2002.

Salmon Creek EIS – Okanogan Co., Wash.

BPA proposes to fund a project to enhance fish habitat and fish passage and to increase instream flows in 4.3 miles of lower Salmon Creek, a tributary of the Okanogan River. The project would rehabilitate the stream channel, revegetate stream banks and increase streamflows. Scoping closed in March. A draft EIS is anticipated in summer 2003.

Satsop Combustion Turbine ROD – Grays Harbor, Wash.

Duke Energy requests integration of its 650-MW Satsop Combustion Turbine Phase 1 project near Elma, Wash., into the federal transmission grid. To supply natural gas to the facility, Williams Gas Pipeline proposes to construct a new gas pipeline. The Federal Energy Regulatory Commission issued a Finding of No Significant Impact on the proposed gas pipeline.

Schultz-Hanford Area 500-kV Line Project – near Ellensburg to near the Hanford Reservation, Wash.

BPA proposes to build a new 500-kV line from Schultz Substation to the new Wautoma Substation, southwest of the Hanford Monument. See www.efw.bpa.gov under environmental planning/analysis.

Solicitation of Proposals and Comments on BPA's Power Supply Role 2006

BPA is announcing the beginning of a regional discussion regarding how BPA will market power and share the costs and benefits of the Federal Columbia River Power System in the Pacific Northwest after 2006. In the first phase of this discussion, BPA and the Northwest Power Planning Council are requesting interested parties to share proposals and comments with the region. Proposals and comments that reach BPA prior to Sept. 12, 2002, can be part of the discussions at public meetings that will occur in September. The close of comment is Oct. 18, 2002. All proposals received will be posted to the Council's Web site at www.nwcouncil.org/energy/bparole/comments. Please refer to BPA's Web site at www.bpa.gov/power/pl/regionaldialogue/

[index.shtml](#) for additional information. See calendar of events and close of comment sections below.

South Fork Flathead Watershed Cutthroat Trout Conservation Program – Flathead National Forest, Mont.

BPA proposes to fund a project to remove exotic trout species from selected lakes in the South Fork of the Flathead drainage and replace them with genetically pure westslope cutthroat trout. BPA is preparing an Environmental Impact Statement. A scoping period will begin in the fall.

Summit/Westward Project – Columbia Co., Ore.

Westward Energy Co. proposes a 520-MW natural-gas-fired, combustion-turbine facility in Columbia County near Clatskanie, Ore., and requested interconnection to the federal grid. EFSC is the lead agency for the environmental review of the generation project; BPA has the lead on integrating transmission.

Umatilla Generating Project EIS – Umatilla Co., Ore.

Umatilla Generating Co. LP. proposes to build a 550-MW combined-cycle combustion turbine. Umatilla Electric Co-op would reconductor about 11 miles of transmission to 230-kV and build about a half mile of new 230-kV line to BPA's McNary Substation, where BPA would integrate the power into the grid. A final EIS is available. See www.efw.bpa.gov/cgi-bin/PSA/NEPA/summaries/Umatilla. BPA expects to issue a ROD on the interconnection this fall.

Wallula-McNary Transmission Line Project – Walla Walla Co., Wash., and Umatilla Co., Ore.

Two segments of 500-kV transmission line are proposed for construction. A 5.1-mile segment would connect power from a 1,300-MW natural-gas-fired combined-cycle combustion gas turbine facility (the Wallula Power Project) to a new BPA switchyard (Smiths Harbor) near Wallula Junction in Walla Walla County, Wash. A second segment of transmission line is proposed between the Smiths Harbor switchyard and BPA's existing McNary Substation adjacent to an existing transmission line. This 28-mile segment is proposed but may not be needed for firm transfer of power from the Wallula Power Project. Upgrades to the McNary Substation would be needed if the 28-mile segment of line is built. BPA is working with Washington EFSEC on environmental review. A final EIS is expected this fall. See www.efsec.wa.gov/wallula.html.

Wanapa Energy Center Generation Proj. EIS – Umatilla Co.

The Confederated Tribes of the Umatilla Indian Reservation requested interconnection of the Wanapa Energy Center, a proposed 1,300-MW gas-fired combined-cycle combustion turbine project, into the transmission grid. The project would be located on tribal trust land. The Bureau of Indian Affairs plans to prepare an EIS on the project, and BPA is participating as a cooperating agency. A draft EIS is expected in December 2002.

SUPPLEMENT ANALYSES

Watershed Management EIS

SA-86 Upper Grande Ronde Direct Seed Incentive Program
SA-85 L3 and L3A Irrigation Diversion Modifications, Lemhi River

Wildlife Mitigation

SA-28 Lower Naches River Land Acquisition, Yakima River Side Channels Project
SA-27 Abbot Creek Fish Barrier Project (Hungry Horse Mitigation/Habitat Improvements)
SA-26 Windy Bay Acquisition

CALENDAR OF EVENTS

Grand Coulee-Bell 500-kV Transmission Line (Eastern Washington Reinforcement) EIS - Wash.

Public meetings on draft EIS:

- Sept. 4, 4 - 7 p.m., Coulee Dam City Hall, 300 Lincoln Ave., Coulee Dam, Wash.

- Sept. 5, 4 - 7 p.m., Lincoln County Public Works Department, 27234 SR 25 North, Davenport, Wash.
- Sept. 6, 1 - 3 p.m., Quality Inn, 7919 North Division Street, Spokane, Wash.
- Sept. 9, 4 - 7 p.m., Quality Inn, 7919 North Division Street, Spokane, Wash.

Transmission Business Line Rate Case Customer Workshops

TBL will host two more workshops to kick off 2004 rate case discussions. One was held last month.

- Sept. 12, 9 a.m., BPA Headquarters, Rates Hearing Room, 905 N.E. 11th Ave., Portland, Ore.
- Oct. 3, 9 a.m., BPA Headquarters, Rates Hearing Room, 905 N.E. 11th Ave., Portland, Ore.

Solicitation of Proposals and Comments on BPA's Power Supply Role 2006

The following meetings will begin with an Open House and Registration at 6 p.m., followed by the formal public meeting at 6:45 p.m.:

- Sept. 16, DoubleTree Hotel, Gold/Olympic Room, 2525 N. 20th Ave., Pasco, Wash.
- Sept. 19, Ruby's Inn and Convention Ctr., Room 500, 4825 N. Reserve., Missoula, Mont.
- Sept. 24, DoubleTree Spokane Valley, Spruce Room, 1200 N. Sullivan, Spokane, Wash.
- Sept. 25, Mountaineers Building, Olympus Room, 300 Third Ave. W., Seattle, Wash.
- Sept. 26, Owyhee Plaza, 1109 Main St., Boise, Idaho
- Sept. 30, BPA Headquarters, Rm. 122, 905 NE. 11th, Portland, Ore.

Southwest Washington/Northwest Oregon Reinforcement 500-kV Line Project

- Sept. 17, 4 - 7 p.m., Battleground Chamber Building, 713 West Main St., Battleground, Wash.
- Sept. 18, 4 - 7 p.m., Camas High School, 1919 East Ione St., Camas, Wash.
- Sept. 21, 1 - 3 p.m., Fisher's Community Grange Hall, 814 N.E. 162 Ave., Vancouver, Wash.
- Sept. 23, 4 - 7 p.m., Sherwood Senior Community Center, 855 N. Sherwood Blvd., Sherwood, Ore.
- Sept. 24, 4 - 7 p.m., Pacific University, 2043 College Way, Forest Grove, Ore.
- Sept. 25, 4 - 7 p.m., McMinnville Community Center, 600 N.E. Evans St., McMinnville, Ore.
- Sept. 26, 4 - 7 p.m., Sam Cox Community Center, 1106 E. Historic Columbia River Hwy., Troutdale, Ore.
- Sept. 30, 4 - 7 p.m., McClelland Art Center, 951 Delaware St., Longview, Wash.

- Oct. 1, 4 - 7 p.m., S.W. Washington Fair Grounds, 2555 N. National Ave., Chehalis, Wash.
- Oct. 2, 4 - 7 p.m., Clatskanie Grange Hall, 78314 Rutter Rd., Clatskanie, Ore.
- Oct. 3, 4 - 7 p.m., Yacolt Primary School, 406 West Yacolt Rd., Yacolt, Wash.

Plymouth Generating Facility EIS

- Sept. 26, 4 to 7 p.m., Benton County Fire Protection District No. 6 Fire Station, Plymouth, Wash.

CLOSE OF COMMENT

Grand Coulee-Bell 500-kV Transmission Line (Eastern Washington Reinforcement) EIS - Wash.

Close of comment - Sept. 23, 2002

Fiscal Year 2003 to 2006 Financial Choices Public Process

Close of comment - Sept. 30, 2002

Solicitation of Proposals and Comments on BPA's Power Supply Role 2006

Close of comment - Oct. 18, 2002

If you have questions or comments, or to be added to the mailing list for any project, call (503) 230-3478 (Portland) or 1-800-622-4519.

To order copies of documents, call: 1-800-622-4520 or (503) 230-7334. Written comments may be sent to: BPA, P.O. Box 12999, Portland, OR 97212.

E-mail address: comment@BPA.gov. BPA home page: <http://www.bpa.gov>. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/Projects>. **Process Abbreviations:** DEIS-Draft Environmental Impact Statement, EA-Environmental Assessment, EFSEC-Washington Energy Facility Site Evaluation Council, EFSC-Oregon Energy Facility Siting Council, EIS-Environmental Impact Statement, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision, SA-Supplement Analysis.

