

# JOURNAL

A MONTHLY PUBLICATION OF THE BONNEVILLE POWER ADMINISTRATION

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Web Site: [www.bpa.gov/corporate/kc/home/journal](http://www.bpa.gov/corporate/kc/home/journal)

## Eye on the weather

"All last fall, we said we'd have better information about water conditions after the new year. Well, now it's February and it doesn't look good." That's BPA meteorologist Nancy Stephan's view on Columbia River run-off expected over the next six months. The weather map tells the story. The bulk of BPA's power supply comes from snowpack in the Rocky Mountains, the Cascades, the Sawtooths and the Grand Tetons. That snowpack is well below normal.

"Our latest forecast calls for a runoff of 77.6 million acre feet, 70 percent of normal," Stephan said. An acre foot is the amount of water necessary to cover one acre of land with one foot of water. This compares to average runoff of 103 maf, and 58.6 maf during the drought year of 2000-2001. Flows in the river so far this winter are running about 65 percent of average and December figures were the eighth lowest in 74 years. "The forecasts have all trended downward since they started in December. We're still in better shape than we were in 2001," Stephan noted. "That year, the basin had only 52 percent of normal snow on Feb. 1. This year, so far, we're at 71 percent."

The dry year that's developing so far does not present concerns for this winter's power supply. Reservoirs started the year nearly full, so there's enough water in storage to turn the turbines should a cold snap hit the region, driving up power demand.

But the financial repercussions could be sharp. BPA's power rates for 2002-2006 were set assuming the agency would make an average of \$600 million to \$700 million a year from sales of surplus power. That in turn assumed an average of about 2,500 megawatts of surplus power to sell based on the historical average run-off of the Columbia River system. When the runoff comes in well below average, surplus sales and the revenues that go

with them do the same. Expectations for revenues from the sale of surplus power for this fiscal year have declined by about \$250 million. And, as BPA's financial condition worsens, the agency gets closer to starting a rate adjustment process designed to ensure that payments can be made to creditors and the U.S. Treasury.

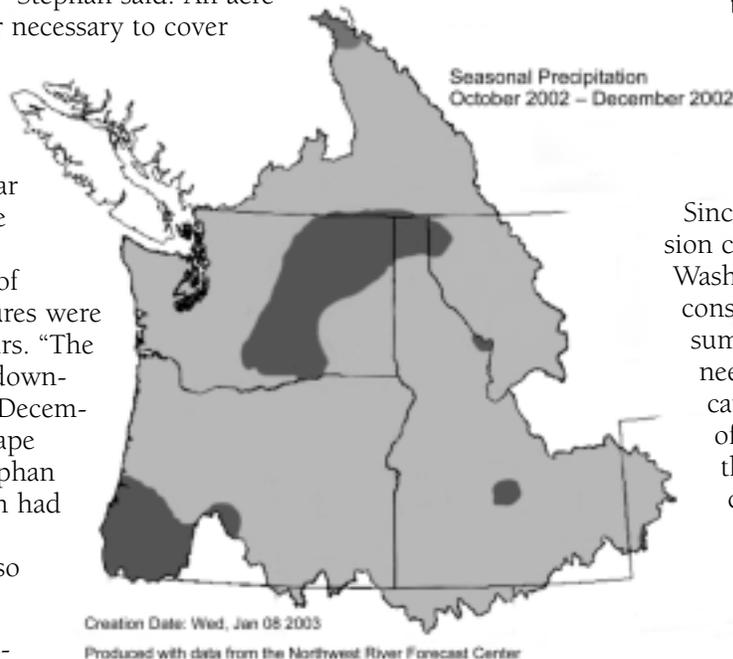
## Line links Spokane, Grand Coulee

BPA will build the Grand Coulee-Bell 500-kilovolt transmission line, an 84-mile line connecting Spokane with Grand Coulee, Wash. Administrator Steve Wright signed the project's record of decision signaling start of the first transmission line construction project under BPA's infrastructure expansion program to relieve congested transmission paths in the region.

Since the mid-1990s, the transmission corridor west of Spokane, Wash., has become increasingly constrained. In early spring and summer, the amount of power needing to pass through this path can exceed the carrying capacity of the existing lines. "Under those conditions the system could overload, violating industry safety and reliability standards," said Mark Korsness, project manager. "The increased capacity provided by this project significantly eases those problems."

Construction of the line will begin in February with completion expected in November of 2004. The project will cost about \$152 million, which is financed by BPA and completely paid for through BPA sales of transmission services.

Most of the line will be built on an existing right-of-way between Bell Substation in Spokane and the U.S. Bureau of Reclamation's 500-kV switchyard near Grand Coulee Dam. The new 500-kV line replaces an older 115-kV line.



*The Pacific Northwest is dry. Precipitation is below average in light-shaded areas and above average in dark-shaded areas.*



## Kangley-Echo Lake line study released

A new BPA environmental study says, of all the alternatives studied, the preferred route for the proposed Kangley-Echo Lake transmission line is through the Cedar River Watershed east of Seattle.

“The preferred option of crossing the watershed appears to be the least costly, takes the least time to build and, with extensive mitigation measures, has the least environmental impact of any alternative we studied,” said Lou Driessen, project manager.

The line is needed to reinforce transmission service to northwestern Washington and Canada.

“BPA is proposing this reinforcement project to ensure reliable electricity delivery into the Puget Sound area and to return energy to Canada under treaty obligation,” said Driessen. “Years of growth in the area have over-taxed the existing system.”

When the draft environmental impact statement on the project was issued nearly two years ago, it drew significant public comment and concern. In response to those concerns, BPA supplemented the EIS by studying additional possible transmission line routes and a variety of nonconstruction alternatives. The study is BPA’s supplemental draft environmental impact statement on the proposed transmission line project.

The environmental document was released Jan. 15 and is open to public review and comment until March 1. The final EIS could be completed around July 1.

## Customers want BPA to lock contracts

BPA’s Transmission Business Line has launched a public process to develop a proposal on preserving customers’ existing transmission rights. Customers are concerned that potential industry changes could fundamentally alter characteristics of BPA’s current Open Access Transmission Tariff service.

“Customers want us to protect the characteristics of the service we provide now and make sure existing service is cost-based and not subject to market-based congestion costs,” explained Dennis Oster, transmission customer account executive.

The contract lock process goals are to preserve the value of the transmission system for existing customers and uses; limit customer exposures to market-based congestion costs, and ensure sufficient transmission infrastructure investment.

A public workshop to begin discussing contract lock concepts is scheduled for Feb. 12.

## Group studies transmission alternatives

Representatives of Northwest states, tribes, utilities, public interest groups and industries have formed the BPA Nonconstruction Alternatives Round Table. The

round table will consider alternatives to building new transmission lines such as energy efficiency programs, demand reduction initiatives, pricing strategies and distributed generation.

BPA Administrator Steve Wright said the group could set precedents on how to assess alternatives that could ultimately make a difference to BPA, the region and the country.

The group will review proposed projects in BPA’s transmission infrastructure expansion program to see if any qualify for nonconstruction alternatives analysis. “Before we decide to build a line, we want to make sure BPA has fully considered whether nonconstruction alternatives can be used,” said Vickie VanZandt, BPA vice president for transmission operations and planning.

The group will seek to establish general criteria to screen new projects to see if nonconstruction alternatives should be studied. “We hope the round table will help us determine when nonconstruction alternatives are feasible and when they are not,” VanZandt said.

Members of the Nonconstruction Alternatives Round Table are:

**Ken Canon**, Industrial Customers of Northwest Utilities;  
**Ralph Cavanagh**, Natural Resources Defense Council;  
**Art Compton**, Montana Department of Environmental Quality;  
**Tom Foley**, Consultant, Energy and Environmental Economics;  
**Nancy Hirsh**, Northwest Energy Coalition;  
**Hardev Juj**, Seattle City Light;  
**Robert Kahn**, Northwest Independent Power Producers Coalition;  
**Tom Karier**, Northwest Power and Conservation Council, Washington state;  
**Paul Kjellander**, Idaho Public Utilities Commission;  
**Steve LaFond**, The Boeing Company;  
**Sue McLain**, Puget Sound Energy;  
**Kris Mikkelsen**, Inland Power & Light Company;  
**Bill Pascoe**, Northwestern Energy;  
**Heather Rhoads-Weaver**, Northwest Sustainable Energy for Economic Development;  
**John Savage**, Oregon Public Utility Commission;  
**Margie Schaff**, Affiliated Tribes of Northwest Indians, Economic Development Corporation;  
**Brian Silverstein**, Bonneville Power Administration;  
**Dick Wanderscheid**, City of Ashland.

## Line rebuild project starts

Public meetings are scheduled this month in Washington state’s Olympia Peninsula as BPA proposes rebuilding a transmission line between the towns of Raymond and Cosmopolis.

The 18-mile long line was built in the 1930s, acquired by BPA in the 1940s and partly rebuilt in 1952. The wires and towers have been damaged by falling trees and have deteriorated due to age. This is the third-worst line in the BPA system for outages. Falling trees have knocked this line out of service 91 times in the last ten years.

The line is being replaced because BPA needs to send more current through it to deal with growth in the

region and periodic outages in other areas, which can overload this line. New towers are needed to hold the larger, higher capacity conductors. Most of the work will be done within the existing corridor.

A preliminary environmental assessment of the project is available and will be discussed at two public meetings in the communities of Raymond and Cosmopolis. (See *public involvement pages*)

### **Printed Journals may end**

In response to current efforts to reduce internal costs, BPA is seriously considering eliminating print copy distribution of the *Journal*. Although this decision is not

final, it appears likely, beginning with the March edition and the decision will be announced in that edition.

While many *Journal* readers currently receive their monthly copies by mail, an increasing number view the *Journal* electronically. If printed versions were eliminated, the Internet would become the primary distribution method. The *Journal* is found at <http://www.bpa.gov/corporate/kc/home/journal/>.

BPA would continue to print a limited number of *Journals*. Copies would be sent to public libraries in the region and be available through BPA's public information center, (503) 230-7334.

# PUBLIC INVOLVEMENT Updates and Notices

## **ONGOING PROJECTS**

### **BPA's Power Supply Role After 2006**

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 is continuing its second phase, which is characterized by public workshops and technical workgroup meetings. These meetings will focus on different key topics for many Tuesdays, Wednesdays and/or Thursdays during some or all of February 2003. Please refer to BPA's Web site at [www.bpa.gov/power/regionaldialogue](http://www.bpa.gov/power/regionaldialogue) for up-to-date information on workshop dates, times and agendas. Or contact Jenifer Scott at (503) 230-7685. Please note that workshops could be canceled or added, so frequent checking of the Web site will be useful.

### **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 later this year.

### **Federal 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](http://www.salmonrecovery.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. BPA has developed a preferred alternative from the regional guidance. The final EIS is expected early in 2003.

### **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, Wash. It would be located primarily on existing BPA right-of-way. The final EIS was released Dec. 6. The ROD was signed Jan. 10. The proposed action as described in the FEIS was the option chosen. See [www.transmission.bpa.gov/projects](http://www.transmission.bpa.gov/projects) for more information.

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

This project would build fish trapping, incubation, rearing and release hatchery facilities to help boost native spring chinook salmon populations in the Grande Ronde and Imnaha rivers of Northeast

Oregon. Planned facilities would modify and augment existing Lower Snake River Compensation Plan facilities. A summary of the public scoping comments is available on request. A draft EIS will be available for comment in March.

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

BPA was proposing 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. In order to meet the schedule, BPA moved forward with project scoping activities, and the developer collected site specific data. However, the project is no longer being considered by BPA, and all work on the EIS has stopped. Due to market conditions and project economics, WWI has requested that BPA remove the wind project from the transmission integration study queue. When economics improve the Horse Heaven Wind Project may again be considered by BPA.

### **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. This project is currently on hold.

### **Kangley-Echo Lake Transmission 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 has prepared a supplemental draft EIS (SDEIS) that analyzes alternatives not considered in detail in the draft EIS. The SDEIS has been released for a 45-day public and agency review, concluding March 1. Public meetings will be held on the following dates: Feb. 3 in North Bend, Wash.; Feb. 4 in Seattle, Wash.; Feb. 5 in Maple Valley, Wash.; and Feb. 6 in Covington, Wash. Close of comment is March 1. (See *calendar of events*.) See [www.transmission.bpa.gov/projects](http://www.transmission.bpa.gov/projects) for more information.

### **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 has studied the full electrical output of the project. The final EIS was mailed in January. See [www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/MaidenWindFarm](http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/MaidenWindFarm).

### **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 Co., Mont., and the Libby Substation located in Lincoln Co., 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 3/4 to 1 inch in diameter, will be attached to each transmission structure along the route.

### **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 available for review. The comment period on the DEIS ended on Oct. 15, 2002. A FEIS is anticipated to be released this spring.

### **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 was released in late January for public review and comment this month. Public meetings to take comments on the preliminary EA will be held Feb. 11 in Cosmopolis and Feb. 12 in Raymond. Close of comment is Feb. 19, 2003. (See calendar of events.) See [www.transmission.bpa.gov/projects](http://www.transmission.bpa.gov/projects) for more information.

### **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. A draft EIS is anticipated in summer 2003.

### **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. A final EIS was available Feb. 1. The ROD is expected in March. See [www.transmission.bpa.gov/projects](http://www.transmission.bpa.gov/projects) for more information.

### **South Fork Flathead Watershed/Westslope 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 EIS. A scoping period will begin later this year.

### **Summit/Westward Project – Columbia Co., Ore.**

Westward Energy Co. proposes a 520-MW natural-gas-fired combustion-turbine facility in Columbia Co. 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.

### **Wallula-Smiths Harbor Transmission Line Project – Walla Walla Co., Wash.**

A 5.1-mile segment of 500-kV transmission line is proposed to 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 Co., Wash. An additional 28-mile segment of transmission line adjacent to an existing transmission line was also proposed between the Smiths Harbor switchyard and BPA's existing McNary Substation. However, this segment will not be needed for firm transfer of power

from the Wallula Power Project. The final EIS was released to the public. This project is on hold until financing is secured. See [www.efsec.wa.gov/wallula.html](http://www.efsec.wa.gov/wallula.html) or [www.transmission.bpa/projects](http://www.transmission.bpa/projects) for more information.

### **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. This project has been postponed indefinitely.

### **White Sturgeon Mitigation and Restoration in the Columbia and Snake Rivers Upstream of Bonneville Dam EA – Ore., Wash. and Idaho**

To restore and mitigate for documented lost white sturgeon productivity caused by development and operation of the hydropower system. An EA is being prepared. Call to be added to the mail list.

## **SUPPLEMENT ANALYSES**

### **Watershed Management EIS**

SA-101 Restoration of Anadromous Fish Access to Hawley Creek, Lemhi County, Idaho

SA-102 YTAHP – Ellensburg Water Company/Cooke Creek Diversion Project

### **Mid-Columbia Coho Reintroduction Project**

SA-03 New Acclimation Sites, Chelan County, Washington

## **CALENDAR OF EVENTS**

### **Kangley-Echo Lake Transmission Line Project – King and Kittitas Cos., Wash.**

Public meetings to take comments on the supplemental draft EIS.

- Feb. 3, 12 to 4 p.m., Mount Si Senior Center, Multi Purpose Room, 411 Main Ave. So., North Bend, Wash.
- Feb. 4, 4 to 8 p.m., Seattle Center, Rainier Room, 305 Harrison St., Seattle, Wash.
- Feb. 5, 4 to 8 p.m., Maple Valley Community Center, Main Hall, 22010 SE 248th St., Maple Valley, Wash.
- Feb. 6, 4 to 8 p.m., Tahoma High School, The Commons, 18200 SE 240th St., Covington, Wash.

An additional meeting to discuss the nontransmission study results will be held on:

- Feb. 4, noon to 3 p.m., Seattle Center, Rainier Room, 305 Harrison St., Seattle, Wash.

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

Public meetings to take comments on the preliminary EA.

- Feb. 11, 4 to 7 p.m., Lions Club, 601 2<sup>nd</sup> St., Cosmopolis, Wash.
- Feb. 12, 4 to 7 p.m., Pacific County PUD, 405 Duryea St., Raymond, Wash.

## **CLOSE OF COMMENT**

Raymond-Cosmopolis Preliminary EA: Feb. 19, 2003

Kangley-Echo Lake Transmission Line Project: March 1, 2003

**If you have questions or comments, or you want 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](mailto: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.

