

# JOURNAL

A MONTHLY PUBLICATION OF THE BONNEVILLE POWER ADMINISTRATION

January 2004

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

## Change is in BPA's future

BPA Administrator Steve Wright is starting to address some fundamental questions about the agency's role in the Pacific Northwest after 2006. In a recent letter addressed to the Northwest Power and Conservation Council, Wright noted that "Protecting the value of the federal system for the region is a paramount goal."

In the letter, Wright said BPA's goal, whether in 2006 or 2011, is ultimately to secure "long-term power supply contracts that nail down a limited BPA role" in meeting the region's load growth. Wright said he agrees with the Council's proposed goal of limiting BPA's firm power sales at embedded cost rates to roughly the output of the existing federal power system. He added that such a policy would help reduce BPA's wholesale firm power rates and keep them low and predictable.

Customers have statutory rights to purchase power from BPA, and there are important questions about how to limit BPA's load obligations. "A tiered rate structure is one means of doing this," Wright's letter added.

The administrator encouraged continuing discussions by the Council, customers and others over the next several months and said that BPA would use thoughts from these discussions in preparing a policy proposal for public review in June 2004.

Finally, Wright urged the Council to consider focusing on a larger regional role. "With BPA likely to be a shrinking fraction of the region's power system, the Council should seek... a common vision of the future direction for the regional power system as a whole," he said.

## BPA boosts Northwest wind energy

The Bonneville Power Administration has found a way to make the unpredictable wind more useful for generating electricity year round, a major step toward advancing wind generation development in the Northwest.

With the signing of a contract with the Cowlitz County Public Utility District in Longview, Wash., BPA introduces a new service to help many of the region's publicly owned utilities bring wind-generated power to their customers.

Cowlitz is buying two megawatts of power from the Nine Canyon wind energy project operated by Energy Northwest near Kennewick, Wash. Because the wind produces a variable supply of energy, BPA provides a back-up energy source to cover the times when the turbines don't turn. BPA has agreed to take the wind energy into its system, deliver the power as it's available and provide the back up.

"Integrating wind generation will be an important part of BPA's future strategy

to encourage regional development of renewable energy resources," said Steve Oliver, vice president of BPA bulk marketing and transmission services. "These innovative services can help utilities that are in the market for wind-generated megawatts get that power to their customers. It also means the flexibility of the Northwest hydro power system can provide even more value to the people of the region."

"These services represent a tremendous advance for renewables in the Northwest," said Rachel Shimshak, executive director of the Renewable Northwest Project.



*Snow pack readings start this month leading to the first forecasts for the January through July 2004 runoff. Preliminary data suggests a nearly normal runoff season.*



"We hope that all utilities, public and private, will consider diversifying their energy portfolios with clean wind energy."

BPA is committed to enabling renewable energy development in the Northwest. To that end, additional services are being developed for utilities interested in wind energy. A storage and shaping service BPA is developing will smooth out wind power's variable generation pattern by storing the wind power as it's generated, then delivering a steady supply a week later.

### **WNP-1 and 4 restoration pact set**

"This agreement is good for the environment, good for energy consumers, good for the energy business and benefits our entire state," said Washington Gov. Gary Locke after signing a site restoration agreement for unfinished nuclear plants WNP-1 and 4 on the Hanford Reservation.

Under the agreement, the main structures will be sealed and left standing. After a waiting period of at least 23 years, the rest of the area will be restored to its original condition unless re-use dictates otherwise. BPA will pay \$3.5 million to the state of Washington for environmental mitigation to compensate for allowing the concrete structures to remain and for delaying the final restoration.

"We have answered the question of how to deal with site restoration in a fiscally responsible way that avoids rate impacts to our utility customers," said BPA Administrator Steve Wright. He noted that the plan offers time to find any new economic uses of the facilities before permanent site restoration.

### **A record year for chinook returns**

More than 920,000 adult chinook salmon passed Bonneville Dam fish counters in 2003, breaking last year's record, the Federal Caucus reports. The Federal Caucus is made up of nine federal agencies engaged in salmon recovery efforts in the Columbia River Basin.

The 2003 results are the largest returns since Bonneville Dam was completed in 1938 and far exceed the most recent 10-year average of 399,000. Returns of other salmon and their kin are also encouraging: 364,000 steelhead, 126,000 coho and 39,000 sockeye. Both steelhead and coho are well above their 10-year averages. Federal biologists attributed the increased returns to regional salmon recovery efforts and improved ocean conditions.

The Federal Caucus members include the U.S. Army Corps of Engineers, Bonneville Power Administration, Bureau of Indian Affairs, Bureau of Land Management, Bureau of Reclamation, Environmental Protection Agency, Fish and Wildlife Service, Forest Service and NOAA Fisheries.

### **Comprehensive transmission policy being developed**

Faced with the biggest program in 20 years to add to BPA's transmission infrastructure, BPA's Transmission Business Line is developing a comprehensive policy to help guide its future decisions. The project will include an environmental impact statement that will examine a broad range of policy options related to the planning, construction, operation, marketing and maintenance of the BPA transmission system.

"We have a lot of decisions ahead as we reinforce the transmission infrastructure," environmental specialist Rick Yarde explained. "A fresh policy-level EIS on transmission issues, including non-wires alternatives, will help us better understand the tradeoffs involved."

The EIS will enhance BPA's understanding of the impacts its transmission policies and planning activities may have on the human environment as well as help support transmission business decisions, Yarde said.

Public scoping meetings for the EIS are on Jan. 13, 14, and 15, 2004. The draft EIS should be out for public review in September 2004, and the final complete by June 2005. More information is available at BPA Web site: <http://www2.transmission.bpa.gov/PlanProj/>.

### **January deadlines approach for new FERC order**

Customers and other interested parties have until Jan. 9 to submit comments to BPA as the agency develops its response to a new Federal Energy Regulatory Commission order establishing standards for connecting new generators to transmission grids. The new rule takes effect Jan. 20 for power plants larger than 20 megawatts.

FERC's new interconnection standards require that generators pay the cost of electric facilities from their plants to where they connect with the grid. If the transmission owner's system needs network upgrades to accommodate the interconnection, the generator will provide the initial financing for the additions but will be fully reimbursed within the first five years of commercial operation using transmission credits.

BPA plans to comply voluntarily with new Federal Energy Regulatory Commission standards and procedures. However, BPA's Transmission Business Line wants to gather views from regional customers and constituents on any issues regarding the final FERC order.

More information is available on the TBL Web site at [http://www2.transmission.bpa.gov/Business/Customer\\_Forums\\_and\\_Feedback/FERCOrder\\_2003/](http://www2.transmission.bpa.gov/Business/Customer_Forums_and_Feedback/FERCOrder_2003/).

Comments and questions can be submitted to [tblfeedback@bpa.gov](mailto:tblfeedback@bpa.gov)

## NEW PROJECTS

### FISH AND WILDLIFE – ONGOING PROJECTS

#### **Fish and Wildlife Implementation Plan EIS – Regionwide**

This EIS examines potential impacts of implementing and funding alternative fish and wildlife policy directions being considered in regional processes. BPA has developed a preferred alternative using regional guidance. The three-volume FEIS is available in CD or hard copy format. A ROD was issued on Oct. 31.

See <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/FishWildlifeImplementation> for more information.

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

Fish trapping, incubation, rearing and release hatchery facilities are proposed to help boost spring chinook salmon populations in the Grande Ronde and Imnaha river basins of Northeast Oregon. Planned facilities would modify and augment existing Lower Snake River Compensation Plan facilities. The DEIS is available on CD, in hard copy or online at <http://www.efw.bpa.gov> under links to environmental analysis/planning and active projects. Public review and comment period ended July 7, 2003. Responses and an FEIS are being prepared.

#### **Methow Valley Irrigation District Supplemental EA – Okanogan County, Wash.**

BPA proposes to fund a fish screen replacement project for the Methow Valley Irrigation District in Okanogan County, Wash. The proposed screen replacement improvements, located on the Twisp and Methow rivers, are related to a proposal to rehabilitate the MVID irrigation system. BPA prepared an EA and FONSI for the larger proposal in 1997. BPA issued a preliminary EA for the current fish screen replacement proposal on Dec. 4, 2003, for public review and comment. The document is available on BPA's Web site at <http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/MethowValley>.

#### **Salmon Creek EIS – Okanogan County, 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 DEIS is scheduled for release in early 2004.

#### **South Fork Flathead Watershed/Westslope Cutthroat Trout Conservation Program EIS – 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. BPA is preparing an EIS. Additional information is available at <http://www.efw.bpa.gov/cgi-bin/efw/E/Welcome.cgi>.

## POWER – ONGOING PROJECTS

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

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 proceeding at a slower pace. BPA is planning a full restart of regional discussions early in 2004 that will include ample opportunity for public comment. Please refer to BPA's Web site at <http://www.bpa.gov/power/regionaldialogue> for up-to-date information, or contact Jenifer Scott at (503) 230-7685.

## TRANSMISSION – ONGOING PROJECTS

#### **Bonneville-Alcoa Access Road Project EA – Skamania County, Wash.**

BPA proposes to establish a half-mile-long access road along the Bonneville-Alcoa 115-kV transmission line. The proposed road is located approximately 3.5 miles west of Skamania, Wash. The preliminary EA was released in July 2003. The final EA is scheduled for release in early 2004.

#### **BP Cherry Point Cogeneration Project Interconnection EIS – Whatcom County, Wash.**

BP West Coast Products LLC has requested interconnection of its proposed 720-MW combustion turbine project at its Cherry Point Refinery near the community of Birch Bay, Wash. The project may require rebuilding an existing single-circuit 230-kV transmission line to double-circuit from Cherry Point to Custer Substation and is subject to Washington state energy facility siting processes. BPA and Washington EFSEC developed a joint SEPA/NEPA DEIS, which was released in September 2003. The comment period for the joint SEPA/NEPA ended Nov. 3, 2003.

See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information.

#### **COB Energy Facility Interconnect EIS – Klamath County, Ore.**

Peoples Energy Resources Corp. has requested interconnection of its proposed 1,200-MW combustion turbine project at a site near Bonanza in Klamath County, 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 DEIS was released for public review in November 2003 and comments are due by Feb. 13, 2004. Public open house meetings will be held on the afternoon and evening of Jan. 22, 2004, in conjunction with Oregon EFSC hearings; locations and times to be announced. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information. (See close of comment and calendar of events.)

#### **Grand Coulee-Bell 500-kV Transmission Line – Spokane and Lincoln counties, Wash.**

Construction is under way on the rebuilding of 84 miles of an existing 115-kV wood-pole transmission line with a new, higher capacity 500-kV steel lattice line. The transmission line corridor between the Grand Coulee and Bell substations currently contains two 115-kV transmission lines on two wood-pole structures and three 230-kV transmission lines on two steel lattice structures. The existing transmission lines cannot reliably move power from existing generation sources east of Spokane to the west. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information and construction photos.

#### **Hanford Reach National Monument CCP/EIS – Benton, Franklin and Grant counties, Wash.**

BPA is participating as a cooperating agency in a land management planning process being led by the U.S. Fish and Wildlife Service. The USFWS seeks to develop a comprehensive conservation plan as required by the Refuge System Improvement Act of 1997. BPA is providing information and writing sections of the plan that pertain to transmission facilities, roads, energy facilities and river management within the monument. A DEIS is scheduled for release in June 2004.

#### **Kangley-Echo Lake 500-kV Transmission Line Project – King County, Wash.**

Construction is near completion on the Kangley-Echo Lake 500-kV transmission line. The line will connect an existing transmission line near Kangley to BPA's Echo Lake Substation in western Washington. The project is needed to improve transmission system reliability and to enhance BPA's ability to meet treaty obligations with Canada. The new nine-mile-long transmission line will parallel an existing BPA transmission line in central King County, Wash. Five miles of the line cross the Cedar River Municipal Watershed, which is the source for much of the city of Seattle's drinking water. BPA and the city of Seattle reached an agreement on the project and continue to work together to ensure protection of the watershed during construction. Construction is scheduled to be complete by January 2004. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information and construction photos.

#### **Nisqually Transmission Line Relocation Project EA – Thurston County, Wash.**

BPA is proposing to relocate two miles of transmission line corridor off the Nisqually Indian Reservation in Thurston County, Wash. BPA has an existing transmission line corridor across the reservation and

a portion of the Fort Lewis military base just north of State Route 510. This corridor contains two transmission lines: the Olympia-Grand Coulee 287-kV line and the Olympia-South Tacoma 230-kV line. This relocation is being proposed because the 50-year easement for one of the lines on the reservation has expired. Public scoping meetings were held on Oct. 21 and Oct. 22. BPA is developing a preliminary EA schedule for release spring 2004 and the final EA is scheduled for release fall 2004. The scoping comment period ended Nov. 21, 2003. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information.

#### **Plymouth Generating Facility EIS – Benton County, Wash.**

Plymouth Energy requested interconnection of its proposed 307-MW combustion turbine project near Plymouth in Benton County, Wash. BPA prepared a joint NEPA/SEPA EIS with Benton County. A DEIS was released in August 2002, and an FEIS was released in June 2003. The ROD was released Oct. 14, 2003.

See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information.

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

BPA proposes to rebuild an existing 115-kV transmission line between Raymond and Cosmopolis, roughly parallel to Highway 101. Most of the 18-mile-long line will remain in the existing right-of-way. The preliminary EA was released for public review in February. Public meetings were held in February and the comment period ended Feb. 26. The final EA and FONSI were released Sept. 5, 2003. Line construction is scheduled to begin in spring 2004 and be completed by fall 2004. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information.

#### **Schultz-Wautoma 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. An FEIS was released in February 2003. The ROD was released in March 2003. Construction on the new Wautoma Substation began May 5, 2003. Construction of the Sickler-Schultz portion of the line is scheduled to begin in winter 2004. Major line and fiber construction will begin in January 2004 and completed by November 2005. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information and construction photos.

#### **SnoKing Tap to Monroe-Echo Lake Project – Snohomish County, Wash.**

This project allows BPA's existing SnoKing Tap to Monroe-Sammamish 230-kV transmission line to tap (connect) to the Monroe-Echo Lake 500-kV transmission line as part of several projects known as the Puget Sound Area additions. The SnoKing Tap to Monroe-Echo Lake 500-kV transmission line was energized to 500-kV on Sept. 29, 2003. The original transmission line was constructed in the 1970s as a 500-kV line, but had been operated at 230-kV until recently. An increase in ambient noise levels was anticipated but the level of concern from area residents along the transmission line and in the vicinity of the SnoKing Substation was not. BPA has scheduled a public meeting on Jan. 27, 2004 to respond to public concern about the voltage and noise increase. Meeting information is posted at [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/). (See calendar of events.)

#### **Transmission Policy and Planning EIS – Regionwide**

This EIS will look at a broad range of policy options for supporting decisions on issues related to the planning, construction, operation, marketing and maintenance of the transmission system. The EIS will enhance BPA's understanding of the impacts its transmission policy and planning activities have on the human environment and support

the agency's transmission business decisions. The scoping period begins in December, with a public meeting scheduled for Jan. 13. See <http://www2.transmission.bpa.gov/PlanProj/> for more information. (See calendar of events.)

#### **Wanapa Energy Center Generation Project EIS – Umatilla County, Ore.**

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 released the DEIS in October 2003. BPA is participating as a cooperating agency. Two public meetings were held Dec. 3 and 4. The comment period ended Dec. 29, 2003. A FEIS is scheduled for March 2004 and a ROD in April 2004. See [http://www2.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www2.transmission.bpa.gov/PlanProj/Transmission_Projects/) for more information. (See calendar of events and close of comments.)

### **SUPPLEMENT ANALYSES**

#### **Watershed Management Program EIS:**

- SA-129 Oregon Fish Screening Project, Screen Replacements (2004 and ongoing). Grant, Umatilla and Walla Walla Counties, Ore.
- SA-130 Yakima Tributary Access and Habitat Program – Dry Creek Fish Passage and Irrigation Efficiency Project. Kittitas County, Ore.
- SA-131 Habitat Projects Lake Roosevelt Tributaries – Bridge Creek Passage/Habitat Improvements. Ferry County, Wash.

#### **Wildlife Mitigation Program EIS:**

- SA-36 Logan Valley Wildlife Mitigation Project-Implementation of Wildlife Mitigation Plan. Grant County, Ore.

### **CLOSE OF COMMENT**

Feb. 13, 2004 – COB Energy Facility Interconnect EIS

### **CALENDAR OF EVENTS**

#### **Transmission Policy and Planning EIS Meeting**

- Jan. 13, 4 to 7 p.m., State Office Building, Room 120C, 800 N.E. Oregon St., Portland, Ore.
- Jan. 14, 4 to 7 p.m., Comfort Suites, 601 Roy St., Seattle, Wash.
- Jan. 15, 4 to 7 p.m., Quality Inn Oakwood, 7919 N. Division St., Spokane, Wash.

#### **Non-Wires Solutions Round Table**

- Jan. 21, 9 a.m. to 4:30 p.m., BPA headquarters, 905 N.E. 11th Ave., Room 122, Portland, Ore.
- Jan. 22, 8:30 a.m. to 3 p.m., BPA headquarters, 905 N.E. 11th Ave., Room 122, Portland, Ore.

#### **COB Energy Facility Interconnect EIS – Open house (In conjunction with Oregon EFSC hearings)**

- Jan. 22, Noon to 2 p.m., Lorella Community Hall, 9787 E. Langell Valley Rd., Lorella, Ore.
- Jan. 22, 3 to 5 p.m., Klamath Fairgrounds, 3531 South 6<sup>th</sup> St., Klamath Falls, Ore.

#### **SnoKing Tap to Monroe-Echo Lake Project Public Meetings**

- Jan. 27, 7 to 9 p.m., Skyview Jr. High Cafeteria, 21404 35<sup>th</sup> Ave. S.E., Bothell, Wash.

**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 14428, Portland, OR 97293-4428. 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:** EA-Environmental Assessment, EFSEC-Washington Energy Facility Site Evaluation Council, EFSC-Oregon Energy Facility Siting Council, EIS-Environmental Impact Statement, DEIS-Draft Environmental Impact Statement, FEIS-Final Environmental Impact Statement, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision, SA-Supplement Analysis.

