

JOURNAL

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Fish weirs weigh big in future hydro

The states of Oregon, Washington, Idaho and Montana and four federal agencies (the U.S. Army Corps of Engineers, Bureau of Reclamation, NOAA Fisheries and BPA) have developed a preliminary agreement on regional hydro operations.

Discussions have been under way since early in the year, when a lawsuit challenged the 2004 biological opinion issued by NOAA Fisheries on Federal Columbia River Power System operations. Another suit requested hydro



Spillway weirs such as this one, installed at Snake River dams, would be key elements in a newly proposed hydro operations agreement among federal agencies and four Northwest states.

operation measures beyond those in the 2004 BiOp. With litigation continuing, the states and federal agencies wanted a plan to operate the hydro system that provided protection for fish and stability to operations.

"It's considered conceptual pending discussion with affected tribes regarding their unique concerns and ascertaining their interests in pursuing such an agreement with the federal agencies and Northwest states," said Lorri Bodi, BPA senior policy advisor for fish and wildlife. "Much more work remains to be done to develop a regionally based approach that can work successfully across the diverse jurisdictions involved. To this end, meetings were scheduled in July with the tribes and other interests.

Bodi said that the agreement provides stable, predictable mechanisms to help states, tribes and federal agencies improve fish passage and survival over the next

10 years. The proposal outlines a long-term agreement on hydro operations to support regional salmon recovery goals. The agreement mirrors the procedures and measures included in the Updated Proposed Action document that was part of the 2004 BiOp.

"A major element of the proposed agreement," said Bodi, "is that it would use savings garnered from the operation of more efficient spillway weirs at dams to provide additional funds for fish and wildlife projects and additional savings for ratepayers."

The agreement would not settle legal issues now under litigation. The injunction recently ordered by U.S. District Court Judge James Redden requires additional spill at federal dams this summer. The preliminary agreement is a longer-term approach.

Savings with a twist

One thousand stores in the Pacific Northwest will offer "savings with a twist" – compact fluorescent light bulbs for 99 cents apiece, starting Aug. 1. The energy efficiency campaign is sponsored by BPA, the Northwest Energy Efficiency Alliance and the Energy Trust of Oregon.

"The project ties in with our low-water year conservation efforts," said program coordinator Lisa Thompson of BPA's Energy Efficiency office. BPA is funding the program through the alliance by purchasing 300,000 bulbs for \$1.25 each. "They will be offered in the stores for 99 cents, and when they're gone, they're gone," said Thompson.

BPA customer utilities with remaining Conservation and Renewables Discount program funds can participate and get credits toward their obligations to support energy efficiency measures under that program.

BPA saves 850 MW in conservation

BPA conservation and energy efficiency efforts have produced more than half of the savings produced by all Northwest utilities since 1982, according to both Northwest Power and Conservation Council and BPA figures. The latest edition of BPA's Red Book http://www.bpa.gov/Energy/N/Reports/publications/pdf/FY04_red_book.pdf shows that from 1982 through 2004,



BPA conservation and energy efficiency efforts have netted 850 megawatts of savings for the region. In addition to direct programs, BPA has promoted energy-efficient building codes, supported model conservation standards and influenced the purchase of more energy-efficient appliances.

In its new conservation plan, BPA has committed to achieving its share – 40 percent – of the Council’s 700 average megawatt regional conservation goal in 2005-09.

To pursue Grid West, TIG or other?

BPA is asking the region to comment on which alternatives it should pursue further to improve the Northwest’s transmission operation and planning. This September, Grid West utilities will decide whether to commit to two years of funding for further development of the proposed regional transmission entity. BPA must decide whether to pursue Grid West or commit to further development of an alternative plan being developed by the Transmission Improvements Group. BPA will ask for public comments on its choice in August, and will issue its own considerations and supporting analyses.

“This is a very constructive process,” observed Syd Berwager of BPA’s Industry Restructuring group. “Both TIG and Grid West are developing their proposals as completely as possible to give the region a clear choice. They’re also finding much common ground.”

The two plans are similar in many ways. “The primary difference is how they’re governed,” Berwager said. Grid West would be a specific entity operating under Federal Energy Regulatory Commission jurisdiction. TIG proposes a contractual agreement among the existing transmission owners and would not create a FERC jurisdictional entity.

BPA lists key transmission gains

Senior Vice President Vicki VanZandt, in a letter to BPA customers in mid-July, listed nine key accomplishments of the Transmission business line in the past year. The letter is part of the group’s customer action plan to address concerns raised during a recent transmission customer survey.

The letter lists items such as new general transfer agreements, a rate



New DC converter valves at Celilo Converter Station, The Dalles, Ore

case settlement, the revised available transfer capability methodology to increase transmission inventory and three major system upgrades – the Celilo Converter Station modernization, the Grand Coulee-Bell transmission line and the soon-to-be-completed Schultz-Wautoma transmission line.

“We continue to work on becoming a more efficient business to better serve our customers,” VanZandt wrote. “Our current internal process improvement initiatives should add to that progress.”

Business plan EIS analysis delayed

The release of the supplement analysis of BPA’s agencywide business plan environmental impact statement is now scheduled for the end of this calendar year. The date was moved back from the original September target.

In December 2004 BPA began preparing a supplement analysis to the agencywide 1995 Business Plan environmental impact statement. The EIS reviewed environmental impacts of the agency’s preferred policy directions and set the stage for future business decisions.

The supplement analysis helps the agency determine if a new EIS or an update is needed. Although the Business Plan EIS is integral to the agency’s decision making, the supplement analysis is not linked to any specific initiative.

BPA targets irrigation for efficiency

BPA is ramping up agricultural energy efficiency through an irrigation pump testing pilot program with the hope that about 400 irrigation pumps or systems will be tested in the next two years. The \$200,000 program started this summer primarily with utilities that serve significant irrigation loads and that have conservation augmentation agreements with BPA.



An eastern Washington pivot irrigation line is equipped with low-pressure down-tube sprinkler heads for greater energy efficiency and improved water application.

BPA is also offering a simplified rebate program for new low-pressure and flow-controlling sprinkler equipment. The program has a number of goals.

“First is to get the energy and water efficiencies the Northwest Power and Conservation Council thinks are

available,” said BPA coordinator Steve Fucile. “Second, we’re encouraging local utilities to work with their growers to get their irrigation systems tested and switched to updated low-pressure sprinkler packages.”

The latter will increase application efficiency and cut energy costs for pumping. BPA will evaluate the program in 2006 to determine the savings gained. It hopes the effort will save 20 average megawatts.

PUBLIC INVOLVEMENT Updates and Notices

NEW PROJECTS

Chief Joseph Dam Hatchery Program – Okanogan County, Wash.
BPA is proposing to fund a program for summer/fall Chinook salmon in the Okanogan subbasin and the Columbia River between the Okanogan River and Chief Joseph Dam. This program would include construction, operation and maintenance of a hatchery (at the base of the Chief Joseph Dam) and several acclimation ponds (throughout the Okanogan River subbasin), broodstock collection, egg incubation, rearing and release using new and existing fish production facilities. While the focus of the program would be on the propagation of summer/fall Chinook salmon, BPA will also consider using the proposed facilities to reintroduce extirpated spring Chinook salmon to historical habitats in the Okanogan subbasin. BPA intends to prepare an EIS to study and publicly present the expected environmental effects of the program. BPA is holding two scoping meetings to present the proposal and gather initial public comments; comments will be accepted until Sept. 19, 2005. **(See calendar of events and close of comment.)**

Northwest Transmission Planning and Operation – Regionwide
BPA has been working with regional sponsors on two alternative proposals to improve regionwide planning and operation of the Northwest transmission grid. Grid West would establish a new independent transmission entity; the Transmission Issues Group would work within existing institutions. In August, BPA will request public comments on which of these proposals it should support for further development. Details will be posted on www.bpa.gov/corporate/business/restructuring/.

Rock Creek Substation – Klickitat County, Wash.
Windtricity LLC and Last Mile Electric Cooperative, two wind developers, have requested to interconnect up to 150 megawatts of power from the Goodnoe Hills Wind Project and up to 200 MW of power from the white Creek Wind Project to the Federal Columbia River Transmission system. BPA proposes to build a new 500/230 kilovolt substation along the John Day-Wautoma 500-kV transmission line. This new facility would require approximately 7.5 acres of land in the Goodnoe Hills area. BPA is accepting comments until Aug. 8. **(See close of comment.)**

Renewables
BPA will be seeking comment on proposed changes to the renewable option to the conservation rate credit program. Proposed changes result from both the \$6 million annual cap on the renewable claims against the conservation rate credit program and the shorter rate period set in the February 2005 Regional Dialogue ROD. A 30-day comment period is expected to open in August 2005. Materials for comment will be posted at <http://www.bpa.gov/power/pl/regionaldialogue/announcements.shtml> when available. Please monitor the Web site for more information.

AGENCY – ONGOING PROJECTS

Supplement Analysis to the Business Plan EIS
BPA is preparing an SA to its Business Plan EIS, which is expected to be released at the end of 2005. The 1995 EIS analyzed the environmental impacts of BPA's business practices, such as marketing and transmitting power, energy conservation, renewable energy development, and fish and wildlife mitigation activities. The impacts analyzed include effects on the natural, economic and social environments. Public letters announcing and outlining the SA to the

Business Plan EIS went out in December 2004. The comment period on the SA closed on March 1, 2005. For additional information about the SA and the comments that were received, see BPA's Web site at http://www.efw.bpa.gov/environmental_services/Document_Library/bpsa/.

FISH AND WILDLIFE – ONGOING PROJECTS

Kootenai River Ecosystem/Fisheries Improvement Study – Boundary and Bonner counties, Idaho, and Lincoln County, Mont.

BPA has completed the final EA for the proposed Kootenai River Ecosystem Project in the Kootenai River. Based on that assessment, BPA made a FONSI, which is included in the final EA. Comments were invited on the preliminary EA in April 2005, and the EA was modified following the review of all comments received. The Kootenai Tribe of Idaho (in coordination with Idaho Fish and Game; Montana Fish, Wildlife and Parks; and the British Columbia Ministry of Environment, Land and Parks) plans to initiate a controlled nutrient restoration effort in the mainstem Kootenai River near the Montana-Idaho border. The final EA and FONSI are now available. These documents can be viewed online at http://www.efw.bpa.gov/environmental_services/Document_Library/Kootenai.

Salmon Creek EIS – Okanogan County, Wash.
BPA proposes to fund a project to enhance fish habitat, fish passage and 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 was released in September 2004 and is available at http://www.efw.bpa.gov/environmental_services/Document_Library/Salmon_Creek. A public meeting was held Sept. 28, 2004, and the comment period closed Nov. 9, 2004. Further environmental analysis and comment on this project is delayed until summer 2005 and will continue only if given approval for funding by the Northwest Power and Conservation Council.

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. A DEIS was released and the comment period closed Aug. 20, 2004. An FEIS is being prepared. Additional information is available at http://www.efw.bpa.gov/environmental_services/Document_Library/South_Fork_Flathead/.

POWER – ONGOING PROJECTS

Power Rates – Regionwide
BPA will hold a rates workshop on Tuesday, Aug. 9, 2005, to present initial calculations for the Financial-Based Cost Recovery Adjustment Clause (FB CRAC) and the Safety Net Cost Recovery Adjustment Clause (SN CRAC) rate adjustments for fiscal year 2006. This workshop begins a public comment period that closes on Friday, Aug. 19, 2005. BPA expects to announce the final FB and SN CRAC rate adjustments for FY 2006 at a workshop tentatively scheduled on Tuesday, Aug. 23, 2005. Both workshops will be held in the BPA Rates Hearing Room beginning at 9 a.m. and will conclude around noon. For more information, see BPA's Web site at www.bpa.gov/power/rates. **(See close of comment and calendar of events.)**

Regional Dialogue – Regionwide

BPA is working on this second phase of the Regional Dialogue. In early August, BPA expects to release a “concept paper” as a starting point for further regional discussion. The concept paper will address key issues, which include service to public utilities, benefits to the residential and small-farm consumers of the investor-owned utilities, resource adequacy standards, cost controls and dispute resolution, and conservation and renewables. Following the release of this concept paper, BPA will sponsor a series of intense public workshops on BPA's future role in power supply. At the conclusion of the public workshops, BPA will issue a policy proposal and open a formal comment period. The target date for the policy proposal is December 2005. For additional information on Regional Dialogue, see BPA's Web site at www.bpa.gov/power/regionaldialogue.

TRANSMISSION – ONGOING PROJECTS

Cotterel Wind Power Project – Cassia County, Idaho

BPA has been a cooperating agency on the Bureau of Land Management (BLM) DEIS. Windland, Inc. is proposing to construct a 190-240 MW wind project on Cotterel Mountain near Burley, Idaho on mostly BLM lands. Windland has withdrawn its request to interconnect to the Federal Columbia River Transmission System. A DEIS has been issued by the BLM, but BPA will no longer be a cooperating agency on the environmental process.

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 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 flow management within the monument. A DEIS is scheduled for release in fall 2005.

Klondike III Wind Project Interconnection – Sherman County, Ore.

BPA has been asked by PPM Energy Inc. to interconnect 300 MW of the output of the proposed Klondike III Wind Project and by Orion Energy, Inc. to interconnect 350 MW of the proposed Sherman County Wind Project. Interconnection would require BPA to build and operate a new 230-kV transmission line, approximately 12 miles long, and one or two substations. The new facilities would be built near the towns of Wasco and Rufus, Ore. BPA plans to analyze the effects of the BPA action and both wind projects in an EIS. BPA expects to issue a Draft EIS in winter 2005 or early 2006. Scoping meetings were held in Wasco, Ore., on March 1 and April 27, 2005, and the comment period closed on May 13. See <http://www.transmission.bpa.gov/PlanProj/Wind/> for more information.

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

BPA is proposing to rebuild a 17-mile-long section of the Libby to Bonners Ferry 115-kV transmission line to improve its reliability and meet future load growth in the Libby, Mont., area. Current options include rebuilding the line in-kind as a single-circuit 115-kV wood-pole H-frame line with some wood-pole equivalent steel poles; rebuilding the line as a double-circuit 115-kV tubular steel-pole line; rebuilding the line as a double-circuit 230-kV tubular steel pole line; and the alternative of not rebuilding the line. BPA plans to analyze the environmental effects of the proposed project and comments received during the scoping process in an EIS and expects to issue a DEIS in spring 2006. The comment period closed June 9, 2005. For

more information on the project visit: http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/default.cfm?page=LTL or <http://www.efw.bpa.gov>.

Port Angeles Transmission Line Interconnection – Port Angeles, Wash.

Olympic Converter LP has requested interconnection to the Federal Columbia River Transmission System of a 550-MW transmission cable across the Strait of Juan de Fuca from Vancouver Island, B.C., to Port Angeles, Wash., on the Olympic Peninsula. The line would interconnect at BPA's existing Port Angeles Substation. BPA is leading the environmental studies and coordinating efforts with the Department of Energy. The DEIS is scheduled for release in December 2005. The comment period for the environmental scoping closed June 8, 2005. A public scoping meeting was held on May 24 in Port Angeles, Wash. For more information visit: http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

SUPPLEMENT ANALYSES

To view copies of the Supplement Analyses, visit the link provided.

Watershed Management Program EIS

http://www.efw.bpa.gov/environmental_services/Document_Library/Watershed_Management/

- SA-215 Idaho Model Watershed Projects for FY 05 – Custer and Lemhi counties, Idaho
- SA-216 Grande Ronde Model Watershed, Wallowa Canyonlands Weed Removal – Wallowa County, Ore.

Transmission Vegetation Management Program EIS

- SA-254 Dworshak-Taft Corridor, Clearwater, Latah and Shoshone counties – Idaho and Mineral County, Mont.
- SA-255 Franklin-Walla Walla transmission upgrades – Walla Walla County, Wash.
- SA-256 Roundup-La Grande 230 kV – Umatilla and Union counties, Ore.
- SA-257 Kitsap-Bangor and Kitsap-Bremerton No. 1 – Kitsap County, Wash.
- SA-258 Ross-St. Johns No. 1 & Rivergate - Keeler No. 1 – Clark County, Wash., and Washington County, Ore.
- SA-259 Grand Coulee-Bell Corridor vegetation management – Spokane County, Wash.
- SA-260 St. Johns-St. Helens Corridor – Columbia and Multnomah counties, Ore.

CALENDAR OF EVENTS

Power Rates Workshop

- Aug. 9 – 9 a.m. to noon, BPA Rates Hearing Room, 911 N.E. 11th Avenue, Portland, Ore.
- Aug. 23 – Workshop for FY 2006 FB/SN CRAC Power Rates, tentative date. Check www.bpa.gov/power/rates/for_updates

Chief Joseph Dam Hatchery Project – Public scoping meetings

- Aug. 24 – 5 to 8 p.m. Okanogan PUD, Auditorium, 1331 2nd Avenue, Okanogan, Wash.
- Aug. 25 – 2 to 6 p.m., Wenatchee Convention Center, Golden Delicious Room, 201 N. Wenatchee Ave., Wenatchee, Wash.

CLOSE OF COMMENT

- Aug. 8, 2005 – Rock Creek Substation
- Aug. 19, 2005 – Power Rates
- Sept. 19, 2005 – Chief Joseph Dam Hatchery Project

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. 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.

