

JOURNAL

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Web site: www.bpa.gov/corporate/pubs/Journal

New towers rise on Teton Pass

Six days a week, 12 hours a day, contractors are scrambling to catch the summer sun and complete some tower rebuilds on BPA's Swan Valley-Teton 115-kilovolt lines over Teton Pass, Wyo. A 181-ton crane hoisted a new, larger tower on top of the pass, plus two new tower tops nearby. The project is under budget and on schedule to be energized by Oct. 15.

This project will space out conductors at the 8,500-foot pass and solve winter icing problems that have led to outages.

Issue Alert out on NW grid options

The three choices BPA now faces on ways to improve Northwest grid operation and planning are briefly reviewed in a new BPA Issue Alert, "Future of the Northwest Grid." BPA is taking comments through Sept. 9 on whether it should pursue:

- Grid West
- Transmission Improvements Group Proposal, or
- Continue separate utility operations.

The Transmission Improvements Group and Grid West held public workshops on their respective proposals in early August. For more information go to <http://www.bpa.gov/corporate/pubs/issue/05ia/ia080805.pdf>

Constituents rate BPA slightly higher

BPA constituents view BPA's performance fairly positively, and ratings have improved slightly since last year, according to a survey by Bourke and Co. for BPA. On a scale of one to 10, constituents gave BPA a 7.4 average performance rating compared to 7.3 in 2004. BPA's target range for fiscal year 2005 was 7.0 to 7.5.

According to Bourke's overview, constituent account executives continue to be the key in constituents' positive perceptions of service. Constituent concerns are primarily based on policy differences and not staff interaction issues. Constituent segments remain polarized regarding the proper balances among lower rates and fish and wildlife, renewable energy and conservation efforts. Many reported that they continue to feel empathy for BPA's dealing with so many competing interests.

The constituent survey interviewed 118 individuals from 91 organizations, including state and local governments, federal agencies, congressional staff, the Northwest Power and Conservation Council and a variety of public interest groups.

Power rates to be announced soon

In early September, BPA will announce the final figures for the Financial-Based and the Safety Net cost recovery adjustment clauses that will affect wholesale power rates in fiscal year 2006. BPA will schedule a workshop for customers and other interested parties to go over the figures.

In early August, BPA gave a preliminary projection of an average 1 percent rate decrease, but it carried caveats based on

water conditions, revenues from secondary power sales and power system operations. Uncertainties in 2006 include potential litigation exposure and the potential for a public utility residential exchange program. About a dozen comments submitted to BPA on the early projections called for setting the Safety Net CRAC at zero.



One extra tall and extra wide tower will soon carry BPA's two transmission lines over Teton Pass to Jackson Hole, Wyo. The larger tower will relieve the problem of conductors bouncing in to one another during unusual ice conditions at this 8,500 feet elevation level.



Columbia and Snake flows are low

Natural flows on the Columbia and Snake rivers dropped steadily during late summer, and federal projections saw flows of around 67 percent of average above The Dalles Dam by the end of August. If that's the final tally, it will be the third-lowest August flow in the 76-year record. Only the August flows of 2003 and 2001 were lower.

The low flows on the Snake River meant it was no longer possible to maintain minimum spill, minimum generation and minimum water elevations behind Lower Granite, Little Goose and Lower Monumental dams after mid-August. As a result, some generation at those three dams was switched off during graveyard hours on Aug. 20 and 22 to maintain water elevations and the court-ordered spill levels. Court-ordered spill at the three Snake dams and McNary Dam on the Columbia ended Aug. 31.

Feds work toward court date

The federal agencies managing the Columbia River power system in early August ended efforts to halt court-ordered spill at system dams during the summer. Instead, they are focusing on preparing for a Sept. 14 status conference in Judge James Redden's U.S. District Court.

At the Sept. 14 conference, the litigating parties will discuss the next steps in the case centered around the adequacy of NOAA Fisheries 2004 biological opinion. Redden has neither vacated nor remanded the BiOp but is expected to rule on procedural next steps for correcting deficiencies he found.

An Aug. 4 motion by the defendants in the case told the judge that no further efforts to modify his spill order were planned and said, "Many of the types of issues the parties have been discussing will need to be addressed in the larger context of the anticipated remand of the biological opinion . . . Federal defendants have scheduled a meeting with the plaintiffs to discuss these issues and will commit to exploring all relevant issues in that process."

More wind power into NW grid

Wind power has become big business in the Pacific Northwest, and BPA is delivering electricity from yet another project over the Federal Columbia River Transmission System to consumers throughout the region.

BPA's role is to meld the power into the regional power system and deliver it to utility service areas.

The agency is preparing to interconnect 75 megawatts of new wind power from Klondike II, located just outside Wasco, Ore. The facility has 50 new wind turbines. PPM Energy is the developer of the project and Portland General Electric will be purchasing all of the output from Klondike II beginning in December.

In the first phase of the Klondike project BPA connected 24 megawatts of wind generation into the transmission system. With this second project almost complete, wind turbines from both projects will produce up to 100 megawatts of combined power interconnected by BPA, which is 10 percent of the output from Bonneville Dam.

In 2002, Wasco Electric Coop built a new 115-kV line from BPA's DeMoss Substation to the wind farm, and BPA made upgrades at the substation. All of the power from the project is then carried to the BPA system. In addition to the interconnection, new communications equipment has been installed and is carrying operational traffic. This allows BPA dispatchers to monitor the wind farm and maintain system reliability.

Klondike II will be the sixth wind interconnection by BPA to the transmission system since 1998 for over 300 megawatts combined peak output. BPA has two more wind projects scheduled to interconnect in 2005 and 10 other requests from wind developers that plan to interconnect to the system by 2007. More information is available on the BPA Web site at: <http://www.bpa.gov>.

Land buy proposed for Idaho

Land in northern Idaho could be transferred to the U.S. Bureau of Indian Affairs to be held in trust for the Kalispel Tribe of Indians under a proposal from BPA. The 80-acre property is located north of Sandpoint in Bonner County, Idaho.

The Kalispel Tribe would receive the property as part of the Albeni Falls Wildlife Mitigation Program. That program buys private land that is then managed to protect, mitigate and enhance wildlife affected by the construction and operation of the Columbia River federal hydroelectric facilities.

The property gives BPA credits for partial mitigation of wildlife habitat losses due to the building of Albeni Falls Dam. BPA sought comments on the proposal, and the comment period ended Aug. 29.

Tacoma Narrows and tidal power?

The Electric Power Research Institute will study the potential for generating electricity with the power of the ocean tides running through the Tacoma Narrows in Washington's Puget Sound. If the study concludes that the Narrows would be a good site, EPRI could launch a pilot project within several years to test underwater turbines or other ideas that are still on the drawing boards.

BPA has contributed \$5,000 toward the \$25,000 study, which is also partially funded by Tacoma Power and the Washington state Department of Community Trade and Economic Development. EPRI has chosen seven study sites in the U.S. and Canada aimed at determining if tides can be harnessed to produce power.

Preliminary research shows the tidal currents flowing through the Narrows are about the same as those in European rivers where tidal generators are already being tested. Plus, Tacoma Power has transmission lines and property in the area. A great deal is already known about the seabed and the currents there because of the construction of the Tacoma Narrows bridge.

King County buys more BPA security

King County, Wash., will pay to upgrade security at three local BPA facilities. Through a grant from the U.S. Department of Homeland Security, Washington

state is assisting counties increase security for critical infrastructure, including electric power facilities. King County considered the three BPA sites as critical for needing the extra security.

Factors in determining the priorities included economic and national security as well as public health and safety. When the contract is finalized, BPA will install security systems at the three locations, then King County will reimburse BPA \$300,000 for the equipment. BPA will pay maintenance costs. Work at the sites could begin as early as September.

PUBLIC INVOLVEMENT Updates and Notices

NEW PROJECTS

Proposed Land Acquisition Under the Albeni Falls Wildlife Mitigation Plan – Bonner County, Idaho

BPA is proposing to transfer title of an 80-acre parcel to the Bureau of Indian Affairs to hold in trust for the Kalispel Tribe. The property is located north of Sandpoint in Bonner County, Idaho. The Kalispel Tribe would receive the property as part of the Albeni Falls Wildlife Mitigation Program, which is a mitigation program that purchases private land to be owned and managed by program participants for the protection, mitigation and enhancement of wildlife affected by the construction and operation of the federal hydroelectric facilities on the Columbia River. The property would be used for wildlife habitat and would provide BPA with credits for partial mitigation of wildlife habitat losses due to the construction of Albeni Falls Dam. Comments were accepted through Aug. 29, 2005. For more information, see BPA's Web site: http://www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

AGENCY – ONGOING PROJECTS

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. The Grid West alternative would establish a new independent transmission entity. The Transmission Issues Group alternative would work via contract agreements within existing institutions. BPA is requesting public comments on which of these proposals it should support for further development. Details will be posted on BPA's Web site: www.bpa.gov/corporate/business/restructuring/.

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 BP 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: http://www.efw.bpa.gov/environmental_services/Document_Library/bpsa/.

ENERGY EFFICIENCY – ONGOING PROJECTS

Renewables

BPA is 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 opened Aug. 29, 2005, and closes on Sept. 29, 2005. Materials for comment are posted at www.bpa.gov/power/pl/regionaldialogue/renewables.shtml.

FISH AND WILDLIFE – ONGOING 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. Comments will be accepted through Sept. 19, 2005 and can be submitted online at BPA's Web site: http://www.bpa.gov/corporate/public_affairs/comment.cfm. (See close of comment.)

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 on BPA's Web site: 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 available on BPA's Web site: http://www.efw.bpa.gov/environmental_services/Document_Library/South_Fork_Flathead/.

POWER – ONGOING PROJECTS

Power Rates – Regionwide

BPA expects to hold a final workshop to explain the components of its initial proposal in mid- to late-September. For more information, see BPA's Web site: <http://www.bpa.gov/power/rates>.

Regional Dialogue – Regionwide

BPA is working on this second phase of the Regional Dialogue and expects to release a “concept paper” soon 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 public comment period. The target date for the policy proposal is early 2006. Please monitor the Regional Dialogue Web site at www.bpa.gov/power/regionaldialogue for the release of the concept paper.

TRANSMISSION – ONGOING PROJECTS

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 the 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 Bigelow Canyon (formerly 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. For more information, see BPA’s Web site: <http://www.transmission.bpa.gov/PlanProj/Wind/>.

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, see BPA’s Web site: http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

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, see BPA’s Web site: http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

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 existing Hanford-John Day 500-kV transmission line. This new facility would require approximately 7.5 acres of land in the Goodnoe Hills area. Close of comment was Aug. 8, 2005. BPA expects to issue a Tiered ROD to BPA’s Business Plan in November 2005. For more information, see BPA’s Web site: <http://www.transmission.bpa.gov/PlanProj/Wind/>.

SUPPLEMENT ANALYSES

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

Wildlife Mitigation Program EIS

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

- SA-46 Blue Creek Winter Range, Spokane Reservation (Acquisition of Gribner, Wolfrum, and Yepa Properties and 11 Tribal Allotments) Stevens County, Wash.
- SA-47 Malheur (Denny Jones Ranch) Wildlife Mitigation Project, Management Plan – Malheur County, Ore.

Watershed Management Program EIS

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

- SA-217 Grande Ronde Model Watershed Program, Dry Creek/Lower Valley Ditch Passage – Wallowa County, Ore.
- SA-218 Columbia Basin Water Transactions Program (Fiscal Year 2005, No. 2) – Watersheds throughout the Columbia River Basin
- SA-219 Yakima Basin Side Channels Project, Upper County Community Church Property Acquisition – Kittitas County, Wash.
- SA-220 Protect and Restore Lolo Creek Watershed, Blonde Creek Road/Stream Crossing Upgrades – Clearwater County, Idaho
- SA-221 Oxbow Conservation Area, CREP Conservation Practices – Grant County, Ore.
- SA-222 Oregon Fish Screening Project, Beech Creek and Rock Creek Diversions – Grant and Wheeler counties, Ore.
- SA-223 Lake Roosevelt Habitat Improvement Project – San Poil River Bank Stabilization – Ferry County, Wash.

Transmission Vegetation Management Program EIS

- SA-261 Bald Mountain MW Service Station – Mineral County, Mont.
- SA-262 Walla Walla – N. Lewiston, Columbia, Garfield, Asotin and Whitman Counties, Idaho

CLOSE OF COMMENT

Sept. 9, 2005 – Grid West or TIG “Decision Point 2”
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/cgf-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.

