

journal

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BPA considers hatchery for tribal use

The Confederated Tribes of the Colville Reservation may benefit from a new fish hatchery that will produce salmon solely for the tribe's use in ceremonies and meals.

BPA will take public comments through June 18 on a draft environmental impact statement on a proposed program that will help in the conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and in the Columbia River below Chief Joseph Dam. This program includes the new fish hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin.

BPA joins energy efficiency research initiative

BPA has joined a major research initiative aimed at using technology to improve energy efficiency and, ultimately, to reduce electricity consumption and greenhouse gas emissions. BPA is one of about 30 electric utilities that will collaborate with the Electric Power Research Institute to address issues such as electricity savings, demand reduction and peak load management.

"Greenhouse gas emissions are clearly going to be the focus of major political initiatives responding to global climate change," said BPA Deputy Administrator Steve Hickok. "With the United States responsible for one-quarter of worldwide carbon dioxide emissions, and electric utilities responsible for one-third of that, it is only a matter of time before we are in the cross hairs. As a result, U.S. utilities are rapidly coming to the realization that we need to move out on this front and new tools need to be added to our kits."

An analysis by EPRI found there is the potential for the U.S. electricity sector to significantly reduce carbon dioxide emissions over the coming decades through the use of new technology. Because much of this technology isn't available yet, substantial research and development are needed.

"The Pacific Northwest has a long leadership history in energy-efficiency efforts," said Hickok. "Our participation in this initiative and collaboration with dozens of participating utilities will move us further and faster down the road to better energy-efficiency technologies than we could do alone."

For more information about the EPRI energy-efficiency research initiative, visit www.epri.com.

Go fishing, save a salmon!

Join the thousands of anglers gearing up to help save salmon by participating in the 2007 Northern Pike-minnow Sport Reward Program. The season kicks off May 14 and continues through Sept. 30 on the lower Columbia and Snake rivers.

The Northern Pikeminnow Sport Reward Program helps save salmon and steelhead by reducing the number of northern pikeminnow, which eat millions of young salmon and steelhead in the lower Columbia and Snake rivers every year. For every northern pikeminnow 9 inches or longer returned to a registration station, anglers will receive \$4 to \$8. Since 1990, nearly 3 million northern pikeminnow have been removed from these rivers as a result of this program, resulting in an estimated 25 percent cut in predation on juvenile salmonids. Full program information is available at www.pikeminnow.org or by calling (800) 858-9015.

BPA responds to new standards

The Energy Policy Act of 2005 authorized the creation of an Electric Reliability Organization that spans North America with authority to institute mandatory reliability standards that utilities must adhere to or face financial penalties. The Federal Energy Regulatory Commission certified the North American Electric Reliability Corp. as the ERO with FERC oversight.

Accordingly, NERC is developing reliability standards. In March 2007, FERC approved 83 of these standards, making compliance mandatory and enforceable as of June 4, 2007.

BPA is already in compliance with about 90 percent of the 83 new NERC reliability standards. BPA sent a letter in April to the Western Electricity Coordinating Council, one of nine regional electric reliability councils under NERC's authority, to self-report non-compliance with the remaining 10 percent of the applicable requirements, most of which are documentation gaps.

By June 4, BPA will either have documentation in place to prove compliance or will have mitigation plans in place to correct areas. BPA is developing a compliance monitoring program to ensure success.



BPA to discuss FERC Order 890 impacts

BPA customers and other interested parties are invited to a meeting on May 15 to review the new requirements and impacts of Federal Energy Regulatory Commission Order 890 on the region, including impacts on the implementation of BPA's Regional Dialogue.

On Feb. 15, 2007, FERC adopted a final rule reforming its decade-old open-access transmission regulatory framework. FERC's objective for the final rule, Order 890, is to ensure that transmission service is provided on a just and reasonable basis, as well as provide for more effective regulation and transparency in the operation of the transmission grid.

As a result of the final rule, BPA will file a new open access tariff, modify its current Open Access Same-Time Information System (OASIS) and implement a variety of changes to its business practices and processes.

This meeting will provide information on BPA's analysis of each of the major content areas of Order 890 and begin to structure customer participation in examining each of those major content areas. Anyone who is interested in Order 890 is encouraged to attend.

The meeting will be in the Rates Hearing Room at BPA headquarters in Portland, Ore. The time of the meeting will be posted soon at www.bpa.gov/corporate/public_affairs/.

BPA begins wind integration project

By this fall, 700 megawatts of wind energy from two wind farms in Sherman County, Oregon, may be integrated into the Northwest transmission grid.

Construction begins this month on the 12-mile, 230-kilovolt double-circuit transmission line that will transport the electricity.

BPA will work with PPM Energy to integrate up to 300 megawatts from its Klondike III wind project and with Portland General Electric to integrate up to

400 MW from the Biglow Canyon Wind Farm. A new 230-kV yard is already under construction at BPA's existing John Day 500-kV substation as part of this wind integration project.

Fish operations

By May 21, BPA, the Corps and the Bureau of Reclamation will submit a new plan to federal District Court on how they plan to operate the Federal Columbia River Power System for fish protection over the next 10 years. At the same time, the agencies will provide a biological analysis to NOAA Fisheries for its review in developing a revised Biological Opinion (BiOp).

This work responds to a district court order in October 2005 that found the FCRPS BiOp inadequate and remanded it to NOAA Fisheries. Since then, NOAA has been collaborating with BPA, the Corps, Reclamation and Northwest states and tribes to clarify scientific issues and narrow the areas of disagreement on hydro, habitat, hatchery and harvest actions, with the goal of consensus on a new plan for Columbia Basin salmon and steelhead.

The new BiOp is due July 31. At the last status conference with District Court Judge James Redden, the parties signaled they may need more time. Redden, however, has asked federal defendants to submit a new schedule by June.

Transmission rate case completed

In April, BPA issued a final record of decision on its 2008-2009 transmission rates. The agency conducted the expedited rate case proceeding following successful negotiation of a settlement agreement with most of BPA transmission customers.

Customers should see no change in the aggregate rates they pay BPA for transmission service, with the exception of a handful of customers who are currently self-supplying reactive supply and voltage control from generation resources, who will see a modest decrease in rates.

publicinvolvement

updates and notices

NEW PROJECTS

LaPine Substation – Deschutes County, Ore.

BPA proposes building a 140-foot communications tower at its LaPine Substation located near Finley Butte, Ore. The current structures are approximately 70-feet tall. This tower is part of a larger BPA project to replace outdated communications equipment with more reliable technology. No trees will be removed or topped, now or in the future. The project site is approximately 2.6 miles east of Finley Butte and southeast of LaPine, Ore. The Bend-Fort Rock Ranger District is preparing a categorical

exclusion and your input will help identify important issues. Public comments will be accepted through May 11, 2007. For more information, see BPA's Web site: www.bpa.gov/corporate/public_affairs/comment.cfm. (See close of comment)

Palisades-Goshen Transmission Line Rebuild – Bonneville and Bingham Counties, Idaho

The Palisades-Goshen 115-kV transmission line was built in 1949. The line extends from Palisades Dam in eastern Idaho approximately 52 miles west to BPA's Goshen Substation south of Idaho Falls, Idaho. The majority of the wood poles and cross

arms are in need of replacement. BPA proposes to rebuild this line due to its age and deteriorated condition to ensure safe and reliable transmission service. BPA will schedule public meetings in May and will prepare an EA in 2007. For public meetings and more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Southern California Edison v. Bonneville Power Administration

BPA has issued a letter announcing that the Department of Justice has signed a proposed settlement agreement with Southern California Edison for resolution of the "Option Capacity" claim. Under the proposed settlement, BPA would pay SCE \$13.4 million, plus applicable interest, in return for the dismissal of this lawsuit. Comments will be accepted through May 10, 2007. Additional information is available on BPA's Web site: www.bpa.gov/corporate/public_affairs/comment.cfm. (See close of comment)

AGENCY – PROJECTS UNDER REVIEW

Supplement Analysis to the Business Plan EIS – Regionwide

BPA is preparing a supplement analysis to its Business Plan EIS. For a copy of the Supplement Analysis, or for more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/bpsa.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program – Okanogan County, Wash.

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Colville Tribes to assist in conservation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. The EIS also will consider use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin on an experimental basis. The program includes production to augment the ceremonial and subsistence harvest of salmon for the Confederated Colville Tribes. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. A draft EIS for public comment was released and public meetings will be held in Okanogan and Bridgeport, Wash. Comments will be accepted through June 18, 2007. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/. (See close of comment and calendar of events.)

Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA is preparing an EIS for the proposed Lyle Falls Fish Passage Project. The project addresses the modification and upgrade to the existing fishway. The draft EIS is scheduled for release in June 2007. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

Northeast Oregon Hatchery Program, Grande Ronde- Imnaha Spring Chinook Hatchery Project – Wallowa County, Ore.

BPA has conducted value engineering, land acquisition and final design according to the ROD signed March 11, 2005. Several minor changes to facility features and sites resulted, so additional environmental analysis was conducted that included Endangered Species Act compliance, cultural resources surveys and hydrologic effects. No substantial new environmental

effects or public issues are anticipated by the changes. A supplement analysis was completed March 23, 2006, which found that a supplemental EIS was not warranted by the minor changes. The U.S. Fish and Wildlife Service and NOAA Fisheries have concurred that the original ESA consultation remains valid. A ROD authorizing construction is planned for this spring. For more information, see BPA's Web site: www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

POWER – PROJECTS UNDER REVIEW

Regional Dialogue – Regionwide

BPA is preparing the Long-Term Regional Dialogue final policy and ROD. For more information, see BPA's Web site: www.bpa.gov/power/regionaldialogue.

TRANSMISSION – PROJECTS UNDER REVIEW

Caribou-Lower Valley Project (includes Hooper Springs Substation) – Caribou County, Idaho

BPA is proposing to build, own, operate and maintain the new Hooper Springs 138/115-kilovolt substation near a proposed PacifiCorp substation near Soda Springs, Idaho. BPA would connect to PacifiCorp's new substation (Threemile Knoll) to improve service to Lower Valley Energy. Lower Valley Energy would construct, own and operate a new 20-mile double-circuit 115-kV transmission line from BPA's new substation to a tap on the Lower Valley Energy transmission system between Lanes Creek and Valley substations. BPA is proposing to help fund this transmission line through a lease arrangement. Lower Valley Energy is working to acquire all rights-of-way for the 115-kV line. Field work and design are planned for spring 2007. BPA expects to release a draft EA in fall 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

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

BPA is proposing to rebuild a 17-mile section of the Libby-to-Bonniers Ferry 115-kilovolt transmission line to improve its reliability and meet future load growth in Lincoln County, Mont. BPA is analyzing the environmental effects of the proposed project and the comments received during the scoping process. BPA expects to issue a draft EIS in spring 2007. For more information and the latest update to stakeholders, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Olympic Peninsula Reinforcement Project – Thurston and Mason Counties, Wash.

BPA is proposing to remove 14.5 miles of a portion of an existing 115-kilovolt transmission line between Olympia and Shelton substations and replace it with a double-circuit, 230-kV line and add equipment at the two substations. This will improve voltage stability during winter-peak load conditions on the Olympic Peninsula. BPA will complete an EA on the proposed project. The preliminary EA is scheduled to be released in summer 2007. If BPA decides to proceed with this project, construction could begin in late 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Port Angeles/Juan de Fuca Transmission Project – Port Angeles, Wash.

Sea Breeze 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. The draft EIS was released for review March 9. An open house and public

hearing was held April 10 and comments were accepted through April 24. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Shepherds Flat Wind Farm Interconnection Project – Gilliam and Morrow Counties, Ore.

Lifeline Renewable Energy, Inc., requested interconnection of up to 750 megawatts of power generated from the proposed Shepherds Flat Wind Farm that would be located in Gilliam and Morrow Counties, Ore. BPA proposes to interconnect up to 750 MW by expanding the existing Slatt Substation in Gilliam County. BPA will analyze project impacts in a tiered ROD under the Business Plan EIS. The ROD is scheduled to be completed in 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Summer Falls/Main Canal Interconnection Project – Grant and Douglas Counties, Wash.

BPA proposes to interconnect 122 megawatts of generation from Summer Falls and Main Canal hydropower projects to the federal transmission grid. BPA proposes to construct a new 230-kilovolt substation (Pinto Ridge) in Grant County and a new communications site (Banks Lake) in Douglas County to complete the interconnection by 2008. Seattle City Light and Tacoma Power requested the interconnection. They also requested that BPA construct six miles of new 115-kV transmission line between Main Canal and the new Pinto Ridge Substation, three miles of new 115-kV transmission line between Summer Falls and Pinto Ridge, and their new 115-kV substation adjacent to the proposed substation. Seattle City Light and Tacoma Power would own these facilities. BPA, Seattle and Tacoma plan to work cooperatively to complete a combined state and National Environmental Policy Act process and associated environmental compliance. An additional meeting will be scheduled in Coulee City, Wash. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Transmission_Projects/. When the date of the meeting has been set, the information will be added to the site.

Transmission Rate Case – Regionwide

In January, BPA and its customers executed a settlement for the FY 2008-2009 Transmission Rate Case. BPA then filed its initial rate proposal based on the settlement. No parties filed objections to the initial proposal and BPA has completed the rate case with the execution of a ROD. BPA will file an application with FERC for confirmation and approval of the rates. For more information, see BPA's Web site: www.transmission.bpa.gov/Business/Rates_and_Tariff.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Klondike III/Biglow Canyon Wind Integration Project – Sherman County, Ore.

BPA will interconnect the Klondike III and Biglow Canyon wind projects in Sherman County, Ore. The ROD was signed on Oct. 25, 2006. Construction has begun on the John Day Substation and construction of the transmission line will begin May 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

Rock Creek Substation – Klickitat County, Wash.

Rock Creek Substation is under construction and will be complete in fall 2007. For more information, see BPA's Web site: www.transmission.bpa.gov/PlanProj/Wind/.

SUPPLEMENT ANALYSES

To view copies of the supplement analyses, visit the link provided.

Transmission Vegetation Management Program

- SA-331 – Box Canyon Tap to Colville-Boundary #1, Pend Oreille, County, Wash.
- SA-332 – Salem-Grande Ronde No. 1 & Grande Ronde-Boyer #1, Polk County, Ore.
- SA-333 – Marion-Alvey No. 1 and Marion-Lane No. 1, Lane, Marion, Linn Counties, Ore.
- SA-335 – Grizzly-Captain Jack, Jefferson, Crook, Deschutes, Lake, and Klamath Counties, Ore.
- SA-336 – Palisades-Goshen, Bonneville and Bingham Counties, Idaho
- SA-338 – Priest River Tap to Albeni Falls-Sand Creek #1, Bonner County, Idaho
- SA-339 – Chehalis-Covington No.1 Towers 1/1 to 31/3, Lewis and Thurston Counties, Wash.

CALENDAR OF EVENTS

Chief Joseph Hatchery Program Public Meeting

June 6, 6 to 8 p.m., Okanogan Public Utility District Auditorium, Okanogan, Wash.

June 7, 4 to 6 p.m., Commons Building Conference Room at Chief Joseph Dam, Bridgeport, Wash.

CLOSE OF COMMENT

May 10, 2007 – Southern California Edison v. Bonneville Power Administration

May 11, 2007 – LaPine Substation

June 18, 2007 – Chief Joseph Hatchery Program

The Journal is a monthly publication of the Bonneville Power Administration. If you have questions or comments, or you want to be added to the mailing list for any project, call toll free (800) 622-4519.

To order copies of documents, call: (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: www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see www.efw.bpa.gov/environmental_services/nepadocs.aspx. Process Abbreviations: EA-Environmental Assessment, EIS-Environmental Impact Statement, ESA-Endangered Species Act, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision.

