

# journal

June 2007

[www.bpa.gov/corporate/pubs/Journal](http://www.bpa.gov/corporate/pubs/Journal)

## Collaborative effort protects habitat

BPA and the U.S. Fish and Wildlife Service joined efforts with The Nature Conservancy and landowners John and Robin Jaqua to help protect 1,244 acres of rare native prairie and oak woodlands near Eugene, Ore., creating the largest privately owned nature sanctuary in the Willamette Valley.

BPA provided the Conservancy \$4.9 million of the \$5.3 million purchase price for the permanent conservation easement on the Jaqua property. The USFWS also provided \$400,000 from funds dedicated to land acquisitions that advance the recovery of federally listed species.

The new Coburg Ridge preserve will be managed by the Conservancy to protect and enhance native prairie and oak woodland habitats important to dozens of wildlife species, including one of the largest populations of the Fender's blue butterfly, a rare Willamette Valley native listed as an endangered species. Other species to be protected include the Western gray squirrel, horned lark, Taylor's checkerspot butterfly, Kincaid's lupine and the Western meadowlark, Oregon's state bird.

Under the conservation easement, the Jaquas retain ownership, but the land can never be developed.

## Partnership nets restoration project

Nearly 8,000 native trees and shrubs were planted on 40 acres of riparian habitat along Lapwai Creek near Lapwai, Idaho, to provide better habitat for salmon. The project was sponsored and implemented by the



*High school students install weed control fabric around trees.*

Nez Perce Tribe, NOAA Fisheries' Restoration Center and the Bonneville Power Administration.

Local high school students participated in the project as part of a learning program designed to teach them about the factors that limit the survival of salmon and how human activities impact a watershed. While professional crews planted the trees, students installed weed control matting and mulching, conducted water quality tests and performed monitoring activities.

The three-year, \$165,000 project is known as the Lapwai Creek Floodplain and Riparian Area Revegetation/Nez Perce Tribe Restoration Project. NOAA provided funding for the students' work through its community-based restoration program. BPA provided the planning and funding for tribal biologists to design, manage and implement the restoration project, conduct water quality sampling and create creekside education opportunities for the student volunteers.

## Ninth Circuit rules on settlement

In early May, the Ninth Circuit Court of Appeals ruled in two related cases. One, known as the PGE (Portland General Electric) suit, was filed against BPA by numerous parties and challenged BPA's settlement of Residential Exchange Program disputes with six investor-owned utilities in 2000 (for the FY 2002-2011 contract period). Public utilities were the primary petitioners, although investor-owned utilities and industrial customers also filed petitions.

The second lawsuit, known as the Golden Northwest suit, addressed BPA's FY 2002-2006 power rates. In it, public agency petitioners contended BPA (1) improperly allocated costs of serving BPA's industrial customers to preference customers, and (2) improperly allocated costs of the Residential Exchange Program settlements to preference customers. Tribal petitioners argued that BPA did not set rates high enough to cover fish and wildlife obligations.

The court held that BPA exceeded its settlement authority in executing the Residential Exchange Program settlements, that BPA properly allocated the costs of serving the DSIs in its rates, that BPA improperly allocated costs of the Residential Exchange Program settlements to the preference rate, and that BPA should have updated fish and wildlife cost estimates



used in its rate hearing. BPA and the U.S. Department of Justice are reviewing the ruling and considering whether to file for rehearing.

As a result of the uncertainty created by the court ruling, BPA informed Northwest investor-owned utilities that it is suspending about \$28 million a month in payments under settlement of the Residential Exchange Program. BPA officials must certify the legality of the payments or become personally liable for them. The payments reduce electricity rates for residential and small-farm consumers served by the IOUs, and suspension of settlement payments is expected to effectively raise power rates to these consumers.

### **BPA staff elected to WECC leadership**

In its annual meeting in May, the Western Electricity Coordinating Council members elected BPA Vice President for Transmission Operations and Planning Brian Silverstein as chair of WECC's Planning Committee for a two-year term. In addition, BPA Principal Engineer for Operations, Policy, and Strategy Don Watkins continues to serve as vice chair of the WECC Operating Committee; he is expected to become chair next year.

### **Policy undergoing review**

BPA's Long-Term Regional Dialogue Policy is undergoing review at the Office of Management and Budget, following Department of Energy review. The policy defines BPA's power supply and marketing role for the long term in a way that will meet key regional and national energy goals. Upon release of the final policy, BPA will work with its customers to implement the policy by developing power products and rates, power sales contracts, and attendant methodologies.

### **Willamette River fish addressed**

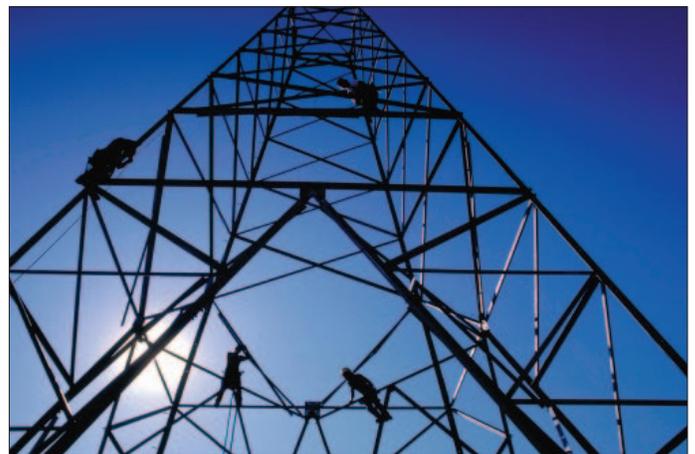
The Corps of Engineers and BPA are consulting on a supplemental Biological Assessment of the federal Willamette River system hydro project operations. The agencies submitted the Biological Assessment to NOAA Fisheries and the U.S. Fish and Wildlife Service on May 31.

The supplemental Biological Assessment will address threatened upper Willamette River chinook, steelhead and bull trout. The Corps owns eight Willamette River generating projects with a combined power capacity of about 400 megawatts.

### **BPA joins transmission forum**

BPA has become only the second Western Interconnection utility to join the North American Transmission Owners and Operators Forum. The forum, chartered under the North American Reliability Corp., provides a venue for transmission owners and operators to identify and disseminate industry best practices for reliable operations.

The other Western Interconnection utility involved in the forum is British Columbia Transmission Corp. (The South Dakota Region of the Western Area Power Administration is a member, but it is outside the Western Interconnection.)



## **publicinvolvement**

## **updates and notices**

### **NEW PROJECTS**

#### **Yakima Fisheries Project – Coho Reintroduction Feasibility Study Phase II – Yakima and Kittitas Counties, Wash.**

BPA and the Yakama Nation are proposing to initiate Phase II of the Coho Reintroduction Feasibility Study under the Yakima/Klickitat Fisheries Project. The study will involve outplanting of juvenile and adult coho in a number of tributaries in the upper Yakima and Naches watersheds. Scoping was completed last fall, and a white paper describing the project and its impacts will be available for public review and comment this summer. A Supplement Analysis is anticipated in July. For more informa-

tion, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Yakima\\_Fisheries/](http://www.efw.bpa.gov/environmental_services/Document_Library/Yakima_Fisheries/).

### **AGENCY – PROJECTS UNDER REVIEW**

#### **Supplement Analysis to the Business Plan EIS – Regionwide**

BPA released 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](http://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 Tribes of the Colville Reservation 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 use of the proposed facilities to reintroduce spring chinook salmon to historical habitats in the Okanogan subbasin is also being considered. The program would augment the ceremonial and subsistence harvest of salmon for the Colville Tribes. This program would be designed to have no effect on the operational flexibility of Chief Joseph Dam. A draft environmental impact statement is available for public comment. Comments will be accepted through June 18, 2007. Public meetings will be held in Okanogan and Bridgeport, Wash. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Chief\\_Joseph/](http://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 that is intended to improve fish movement through a steep cascading waterfall, and is intended to facilitate the collection of valuable fish data. The draft EIS is being finalized with a tentative scheduled release in August 2007. A public meeting to take comment will follow. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Lyle\\_Falls/](http://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. The U.S. Fish and Wildlife Service and NOAA Fisheries have concurred that the original ESA consultation remains valid. No substantial new environmental effects or public issues are anticipated by the changes. A Supplemental Analysis was completed March 23, 2006, which found that a Supplemental EIS was not warranted by the minor changes. A ROD authorizing construction is planned for this summer. For more information, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Grand\\_Ronde/](http://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](http://www.bpa.gov/power/regionaldialogue).

### Southern California Edison v. Bonneville Power Administration

On April 25, 2007, BPA issued a letter to the region announcing that the Department of Justice 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 were accepted through May 10, 2007. BPA received one comment, which can be viewed on BPA's Web site. As part of the terms of the

settlement, BPA notified SCE of its intent to go forward with the settlement within 15 days of the close of comment. A letter was also sent to the region indicating BPA's plan to move forward. The settlement is still pending approval of the California Public Utilities Commission. Additional information is available on BPA's Web site: [www.bpa.gov/corporate/public\\_affairs/comment.cfm](http://www.bpa.gov/corporate/public_affairs/comment.cfm).

## TRANSMISSION – PROJECTS UNDER REVIEW

### Albeni Falls-Sand Creek Transmission Line project

BPA will replace poles on a section of the Albeni Falls-Sand Creek transmission line in northern Idaho and perform other upgrades to improve the reliability of the line. About 340 wood poles will be replaced along about 25 miles of the existing transmission line. The project area is on an existing right-of-way from the Albeni Falls Dam to one mile north of BPA's Sandpoint Substation. In addition, 17 miles of the line will be reconducted to a larger conductor. Although construction would not begin until 2008 or 2009, BPA employees or contractors will be in the area through the summer performing various activities in support of the project. If you have questions about this project or how it may impact your property, you may call our toll-free line at (888) 276-7790 or Mari Rosales, realty specialist at (509) 321-2226. Project information is available on BPA's Transmission Services Web site at [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### 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 Environmental Assessment in fall 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_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. A lower tower height would require trimming or cutting of a substantial number of trees since the terrain is relatively flat at the substation. The project site is about 2.6 miles east of Finley Butte and southeast of the town of LaPine, Ore. The Bend-Fort Rock Ranger District is preparing a CX, and your input will help identify important issues. This notice is being re-issued to clarify that this tower will be used exclusively by BPA and the public comment period has been extended. Public comments will now be accepted until July 11, 2007. For more information, see BPA's Web site: [www.bpa.gov/corporate/public\\_affairs/comment.cfm](http://www.bpa.gov/corporate/public_affairs/comment.cfm)

### 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 reliability and meet future load growth in Lincoln County, Mont. BPA is analyzing the environmental effects of the proposed project and reviewing the comments received during the scoping process. BPA expects to issue a draft EIS this

summer. For more information and the latest update to stakeholders, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

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

BPA is proposing to remove a 14.5 mile 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 this summer. 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/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

### **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 held public meetings in Shelley and Irwin, Idaho. Field work will begin this summer and BPA expects to issue an EA in winter 2007. For public meetings and more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/). (See calendar of events)

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

Sea Breeze Olympic Converter LP has requested interconnection of a 550-MW transmission cable to the Federal Columbia River Transmission System. The cable will run from Vancouver Island, B.C. across the Strait of Juan de Fuca to Port Angeles, Wash. The draft EIS was released for review March 9. An open house and a public hearing were 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/](http://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/](http://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 a 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. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Transmission\\_Projects/](http://www.transmission.bpa.gov/PlanProj/Transmission_Projects/).

## **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 Oct. 25, 2006. Construction has begun on the John Day Substation and construction of the transmission line began May 14, 2007. For more information, see BPA's Web site: [www.transmission.bpa.gov/PlanProj/Wind/](http://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/](http://www.transmission.bpa.gov/PlanProj/Wind/).

## **SUPPLEMENT ANALYSES**

To view copies of the supplement analyses, see BPA's Web site: [www.efw.bpa.gov/environmental\\_services/Document\\_Library/Vegetation\\_Management/](http://www.efw.bpa.gov/environmental_services/Document_Library/Vegetation_Management/)

### **Transmission Vegetation Management Program**

SA-340 Bell-Boundary #3, Spokane, Stevens and Pend Oreille counties, Washington

SA-341 Broadview-Garrison #1 and #2, Broadwater, Jefferson and Powell counties, Montana

## **CALENDAR OF EVENTS**

### **Chief Joseph Hatchery Program Public Meeting**

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

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

## **CLOSE OF COMMENT**

June 15, 2007 – Palisades-Goshen Transmission Line Rebuild

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](mailto:comment@BPA.gov). BPA home page: [www.bpa.gov](http://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](http://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.

