

journal

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New plan speeds wind integration work

Faster schedules, more staff, more budget, higher hopes. That's the essence of the new work plan for BPA's Wind Integration Team released in late June. "We've moved up customers' highest-priority projects by a year," said WIT Manager Eric King

The faster schedule will require adding staff to do work simultaneously, and it calls for increasing the agency's investment in wind integration techniques by about \$7 million a year in 2010 and 2011. "We had budgeted \$2 million a year in the revenue requirement for 2010-2011 rates," King said. "With the accelerated schedule, we may seek external funding for some projects."

The work plan focuses on how operators control the transmission grid minute-to-minute and day-to-day. "Together, these projects will begin to fundamentally change our grid operation into the faster, more flexible grid needed for wind, solar and wave power and for Smart Grid technologies," King explained.

For the latest on BPA's work to support Northwest wind power development, go to www.bpa.gov/go/wind.

Bringing more wind power into the grid

BPA began upgrading transmission lines near Milton-Freewater, Ore., in June to help carry power from a new 63-megawatt eastern Oregon wind project to customers of Clark Public Utilities in Clark County, Wash.

The 5.8-mile upgrade includes two elements – a tap line tying the new Combine Hills Wind Project in Umatilla County, Ore., to the transmission system and upgrade of adjacent lines to handle the extra power. This is the seventh tap line BPA has built to a new wind project.

BPA awarded the contract for the \$3.7 million Combine Hills line project to International Line Builders, Inc., of Tualatin, Ore. The work involves replacing wooden poles and stringing new, higher-capacity wires along a line leading to a substation in Walla Walla, Wash. It will support about 25 construction jobs.

Wind energy in BPA's power system has more than doubled since 2007. With a current capacity of more than 2,000 MW, BPA is moving ahead with major network upgrades to support continued wind power growth.

Clark Public Utilities, which serves customers throughout Washington's Clark County, has agreed to purchase all of the wind project's power for 20 years.

BPA helps tribe switch to CFLs

It's a first in the nation. Every single light bulb on the Burns Paiute Reservation near Burns, Ore., is taking the shape of the familiar compact fluorescent twist as tribal members visit each household in a "change a light, change the world" effort.

BPA's Energy Efficiency program is funding the project, because CFLs have proven to be one of the most effective ways people can reduce electricity use in their homes. These lights last up to 10 times longer than incandescent bulbs and use 75 percent less energy.

"The Burns Paiute tribe is proud to lead the way in this green effort," said Acting Tribal General Manager Kenton Dick. "We appreciate all the benefits of this program, from the cash savings it brings to the members of our tribe, to the stewardship it provides to our planet. This is a story with a happy ending for all involved."

The reservation has 60 homes. With the other facilities, that equals about 1,200 bulbs. BPA partnered with Portland Energy Conservation, Inc., to train installers on numerous aspects of the project, including answering tribal members' questions.

Oregon firm to build part of new line

BPA has selected Wilson Construction, headquartered in Canby, Ore., to construct part of its McNary-John Day 500-kilovolt high-voltage transmission line. When energized in late 2012, the line will provide transmission service to more than 870 MW of energy, including more than 700 MW of new wind energy.

"This contract means green jobs and green energy for the Northwest," said Larry Bekkedahl, BPA's vice president of Engineering and Technical Services. "BPA is poised to meet the region's environmental needs as well as its economic and energy needs."

Wilson Construction will build the approximately 70-mile portion of the line on the Washington side of the Columbia. BPA will select a contractor for the remaining work on the line at a later date.



NEW PROJECTS

Central Ferry-Lower Monumental Transmission Line Project – Garfield, Columbia and Walla Walla counties, Wash.

BPA is proposing a new 500-kV transmission line between a new BPA 500-kV substation, called Central Ferry Substation, in Garfield County, to BPA's existing Lower Monumental Substation in Walla Walla County, Wash. BPA is considering two routing alternatives and a no action alternative; portions of the two routes parallel existing BPA lines. The length of the routing alternatives ranges from about 38 to 40 miles. The proposed line is needed to increase transmission capacity to respond to requests for transmission service in the area. To inform its decision on whether to build the line and to understand the impacts of the alternatives, BPA is preparing an EIS and is accepting public comments through Aug. 3. BPA is also hosting a public open house in Starbuck, Wash., on July 13 to accept comments on the scope of the project. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Central_Ferry-Lower_Monumental/. (See calendar of events).

Grand Coulee Dam Line Replacement – Okanogan, Grant and Douglas counties, Wash.

The Bureau of Reclamation has asked BPA to design and construct six new 500-kV transmission lines at Grand Coulee Dam. The proposed overhead lines would replace six existing underground lines that consist of 18 aging, oil-filled cables between Grand Coulee's third powerhouse and the 500-kV spreading yard. Both are operated and maintained by Reclamation. The new lines would transfer power generated at the third powerhouse across the Columbia River to the visitor center area, and then proceed uphill to connect to existing lines that transfer power into the regional grid. The project would help ensure safe and reliable transmission from Grand Coulee Dam.

BPA and Reclamation will prepare an EA and will hold a joint public meeting July 16 for comments on the scope of the EA and the potential impacts of the proposed project. Scoping will help identify issues and alternatives to be considered in the preliminary EA. The EA will look at the project's potential impacts on the natural and built environment as well those of any alternatives, including the no-action alternative. The EA also will describe mitigation measures to minimize impacts. During this process BPA and Reclamation will seek public input.

To find out more about the project, go to BPA's Web site www.efw.bpa.gov/environmental_services/nepadocs.aspx, and click on "Project Reviews – Active," "Grand Coulee Line Replacement Project." If you have questions, call BPA toll free at (800) 622-4519.

Klickitat-Wahkiacus Hatchery EIS – Klickitat County, Wash.

BPA will prepare an EIS in accordance with the National Environmental Policy Act on proposed changes to the existing salmon and steelhead hatchery program in the Klickitat subbasin in Klickitat and Yakima counties, Wash. The proposed action would involve modification of the Klickitat Hatchery located seven miles east of Glenwood, Wash., at river mile 42 of the Klickitat River. The proposed action would also involve construction of new facilities at the Wahkiacus Hatchery and Acclimation Facility located at river mile 17 on the Klickitat River in Wahkiacus, Wash., and a steelhead acclimation at McCreedy Creek at river mile 70. BPA will consider three action alternatives, a no-action alternative and other alternatives that are identified in the scoping process. For additional information contact Rosy Mazaika at (503) 230-5869.

AGENCY – PROJECTS UNDER REVIEW

BPA 2010-11 Rate Case

BPA posted its draft ROD on the 2010 rate case June 23. The draft ROD covers the joint transmission and power rate proceeding, which BPA initiated in February with publication of its initial proposal in the Federal Register. The proceeding is under two subdockets – transmission rates have been addressed in the TR-10 subdocket while power rates have been addressed in the WP-10 subdocket. The rates are for FY 2010 and 2011. The power rates set in the WP-10 proceeding will be the last under the Subscription contracts. Rates beginning in FY 2012 will be under Regional Dialogue contracts. The final ROD on both subdockets is due for release July 21. BPA will submit its rates to the Federal Energy Regulatory Commission by July 31. BPA expects interim approval of the rates so they can be effective Oct. 1, 2009. For more information and the draft ROD, go to www.bpa.gov/corporate/ratecase/2008/2010_BPA_Rate_Case/.

DSI service to Port Townsend – Regionwide

BPA and Port Townsend, Wash., have negotiated a proposed block contract for the balance of FY 2009, 2010 and 2011 at the Industrial Power rate. Port Townsend receives direct-service industry (DSI) benefits through a Firm Power Products and Services sale to Clallam PUD No.1. This proposed contract will be available for review and comment at www.bpa.gov/power/pl/regionaldialogue/implementation/documents/. Provide comments at www.bpa.gov/comment by 5 p.m., July 10. If you have additional questions, call Mark Miller at (503) 230-4003 or Heidi Helwig at (503) 230-3458. The contract period beginning FY 2012 will be addressed separately.

DSI service to Alcoa – Regionwide

BPA accepted comments through June 22 on a proposal for a contract that provides power to direct service industries as early as Oct. 1, 2009, and beyond. BPA met with interested parties to discuss terms for a long-term service contract for aluminum DSIs. BPA looked to the region to help it decide if the amount of power previously negotiated between Alcoa and BPA under the unsigned, draft contract released in January 2009 should be changed and what changes are needed for future contracts that would make a subsequent offer to the DSIs successful. BPA proposed starting with the previously negotiated draft contract to determine what modifications are applicable. The draft contract is posted at www.bpa.gov/power/pl/regionaldialogue/implementation/documents/2009/DSI/2009-01-23_09PB-13268.pdf.

TRM Supplemental Rate Case – Regionwide

BPA kicked off its TRM supplemental rate case May 28 with a notice in the Federal Register describing proposed modifications to the Tiered Rate Methodology (TRM). The posting marked the beginning of the 90-day expedited rate case that will conclude in early September. The TRM, together with new power sales contracts, is a key component of implementing BPA's post-2011 power marketing policy and tiered rate construct as defined in BPA's Long-Term Regional Dialogue Final Policy and corresponding ROD (July 19, 2007). Since the TRM was established before BPA's Regional Dialogue contracts were finalized, the TRM included a provision to modify the TRM so long as modifications were agreed to by BPA and customer representatives prior to Feb. 1, 2009. This supplemental rate case addresses those modifications. During the supplemental rate case, the ex parte rule for BPA employees is in effect, meaning no BPA employee can discuss the merits of the issues in the rate case with anyone outside the agency outside of a publicly noticed meeting. Comments on the proposed modifications will be accepted until July 8. For more information, go to www.bpa.gov/corporate/ratecase.

Tier 2 pricing – Regionwide

About 43 interested parties participated in a BPA workshop in June to better understand what rate alternatives and products are available for the first three years of Regional Dialogue contracts. By Nov. 1, 2009, customers must elect whether they intend BPA to supply all or a portion of their above-high water mark (HWM) power needs for FY 2012, 2013 and 2014, and if so, how much and through what rate alternative. BPA will work with customers between now and Nov. 1 to bring greater certainty about the types, costs, risks and other characteristics of resources BPA expects to secure for each rate alternative.

Integrated Program Review 2 – Regionwide

BPA posted final results from the Integrated Program Review 2 (IPR2) process June 19. The results follow an April 29 close-out meeting that addressed the draft decisions report and a subsequent comment period. The results will be included in the final studies for the WP-10 rate case. BPA has reduced planned Agency Services costs by \$19 million and Power Internal Operations costs by \$9.7 million in the FY 2010-2011 period, resulting in a 7 percent reduction in internal costs affecting Power Services. For more information and the final report, go to www.bpa.gov/corporate/Finance/IBR/IPR/ or call Valerie Leffler at (503) 230-3521.

Proposed Avista Deemer Settlement – Regionwide

BPA has posted its final ROD on plans to settle the long-standing dispute with Avista Corp. over Residential Exchange Program (REP) deemer account provisions. BPA took comment on the proposed settlement in February 2009. The settlement avoids protracted litigation, eliminates uncertainty regarding the account balance and its use in determining Avista's Lookback amount, and allows the efficient administration of Avista's participation in the REP. As a result, Avista would not pursue legal challenges of deemer treatment in the WP-07 Supplemental Rate Proceeding Lookback calculations and would not challenge the Balancing Account (deemer) provisions in the new "Bridge" and Regional Dialogue Residential Purchase and Sale Agreements. In reaching this decision, BPA carefully considered the factual, legal, and equitable issues raised by commenters. BPA's consideration of comments and its conclusions are described in the Deemer Account Settlement Agreement with Avista Corp. Administrator's ROD, June 22, 2009. For more information, go to www.bpa.gov/corporate/finance/ascml/docs.cfm.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program – Okanogan County, Wash.

This program, sponsored by the Confederated Tribes of the Colville Reservation, would assist in mitigation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. It would include a new hatchery near Chief Joseph Dam and acclimation ponds throughout the subbasin. Also being considered are proposed facilities to help return spring chinook in the subbasin. Public meetings on the draft EIS were held and comments accepted through June 18, 2007. A final EIS and ROD are expected in spring 2010. The U.S. Army Corps of Engineers is a cooperating agency in the EIS. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project – Klickitat County, Wash.

BPA completed its environmental planning for the Lyle Falls Fish Passage Project. Environmental scoping and public involvement occurred in 2006, a draft EIS was issued in March 2008, a final EIS was issued in December 2008, and the ROD was issued in February 2009. The cooperating agencies were the Yakama Nation, Washington Department of Fish and Wildlife and the U.S. Forest Service. BPA has decided to approve funding of the proposed action (preferred action) as described in the EIS. Construction begins this summer. The project will improve fish passage to more effectively allow fish to move into the upper Klickitat River basin and to improve facilities for fish monitoring, biological data collection and fish management.

For more information, go to 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 initial ROD signed March 11, 2005. A ROD authorizing construction is planned for late winter 2010 to coincide with National Marine Fisheries Service review of the programs Hatchery Genetics Management Plan. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

POWER – PROJECTS UNDER REVIEW

FCRPS Draft Systemwide Cultural Resources Programmatic Agreement – Regionwide

The Federal Columbia River Power System Systemwide Cultural Resources Programmatic Agreement (PA) covers the management of historic properties affected by the multi-purpose operations of 14 FCRPS hydro projects. It provides the systemwide principles and commitments for the Lead Federal Agencies' compliance with Section 106 of the National Historic Preservation Act. The final PA was distributed for signature in late April and May 2009. For more information, including previous drafts and comments, go to www.efw.bpa.gov/environmental_services/fcrps.aspx.

TRANSMISSION – PROJECTS UNDER REVIEW

Golden Hills Wind Farm Interconnection – Sherman County, Ore.

BP Alternative Energy requested interconnection of 200 MW of power generated from the proposed Golden Hills Wind Project that would be located in Sherman County, Ore. BPA proposes to interconnect the project by installing equipment and expanding PGE's existing Biglow Substation. BPA would also purchase a portion of the substation and the control house. For more information, go to www.transmission.bpa.gov/PlanProj/Wind/.

Hooper Springs Substation and Hooper Springs-Lower Valley Transmission Line Project (formerly the Caribou Valley Energy Project)

BPA is proposing to build a new 138/115-kV substation near Soda Springs, Idaho, and to partially fund construction by Lower Valley Energy of a new 22-mile, double-circuit 115-kV transmission line. BPA released a preliminary EA for review in May 2009 and hopes to issue a FONSI this summer. For more information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Kittitas Valley Wind Project Interconnection – Kittitas County, Wash.

Sagebrush Power Partners LLC, a wholly owned subsidiary of Horizon Wind Energy LLC, requested interconnection of up to 108 MW of electricity generated from the proposed Kittitas Valley Wind Project in Kittitas County, Wash. BPA proposed to interconnect the project by constructing a new substation adjacent to its Columbia-Covington 230-kV line. BPA accepted comments on the proposed interconnection through Aug. 25, 2008. For more information, go to www.transmission.bpa.gov/PlanProj/Wind/.

Whistling Ridge Wind Interconnection Project – Skamania County, Wash.

SDS Lumber Co. has asked BPA to interconnect its proposed Whistling Ridge Energy Project in Skamania County, Wash., to BPA's grid. WRE would independently build, own and operate the wind project and associated facilities. To inform its decision, BPA will prepare a joint EIS with the State of Washington Energy Facility Site Evaluation Council. BPA and Washington EFSEC held a joint public scoping meeting in May. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Whistling_Ridge/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Albany-Burnt Woods/Santiam-Toledo Pole Replacement – Linn, Benton and Lincoln counties, Ore.

BPA will replace wood pole structures along sections of the Albany- Burnt Woods and Santiam-Toledo lines in Linn, Benton and Lincoln counties, Ore. BPA released a preliminary EA for review in March 2009 and issued a FONSI in May. Construction began in May and is expected to be completed in December 2009. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Albany/.

Big Eddy-Knight Transmission Project – Wasco County, Ore., and Klickitat County, Wash.

BPA is proposing a new 500-kV transmission line between BPA's existing Big Eddy Substation in The Dalles, Ore., to a new substation (Knight Substation) to be connected to an existing BPA line about four miles northwest of Goldendale, Wash. BPA is considering three routing alternatives and a no action alternative for the line. The length of the routing alternatives ranges from about 26 to 28 miles. The proposed line is needed to increase transmission capacity to respond to requests for transmission service in this area. To inform its decision on whether to build the line and substation, BPA will prepare an EIS and hold meetings to receive comments on the scope of the EIS. This process may help identify other issues and alternatives for consideration in the draft EIS. BPA is accepting comments through July 21. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Big_Eddy_Knight/. (See calendar of events).

Chehalis-Centralia No. 1 Transmission Project – Lewis County, Wash.

BPA will replace structures and transmission wire along the Chehalis-Centralia No. 1, 69-kV transmission line in Lewis County, Wash., due to aging wood poles, increased industrial loads and other growth in the area. The line will be rebuilt to a standard 115-kV design but will continue to operate at 69-kV until load in the area requires 115-kV operation. Most construction will take place within BPA's existing easements and access roads. Activities include upgrading segments of existing access roads, building some new access roads, removing and replacing existing structures and installing new conductors. BPA will replace most structures within 10 feet of their existing locations. For more information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/default.cfm?page=CHECEN.

Leaning Juniper II - Jones Canyon Substation Expansion Wind Interconnection Project – Gilliam County, Ore.

Iberdrola Renewables requested interconnection of up to 200 MW of electricity generated from the proposed Leaning Juniper II Wind Power Project. Iberdrola will independently build, own and operate the wind project and its associated facilities. BPA signed a tiered ROD on April 3, 2009 to interconnect the project. BPA will expand its existing Jones Canyon Substation by about one acre, adding one 230-kV circuit breaker and two disconnect switches to the substation in Gilliam County, Ore. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Leaning_Juniper/.

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

BPA completed the EIS and made a decision to proceed with the project. BPA is rebuilding the 17-mile Libby-to-Troy section of

the Libby-to-Bonniers Ferry single-circuit 115-kV transmission line to provide stable and reliable transmission service. Access road construction and improvement and line reconstruction has begun and is expected to be completed in 2010. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Libby/.

McNary-John Day Transmission Line Project – Sherman & Umatilla counties, Ore., Klickitat and Benton counties, Wash.

BPA will build a 79-mile 500-kV transmission line running between McNary and John Day substations in Oregon but mostly located in Washington parallel to the Columbia River. BPA expects to begin construction this summer. For more information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Olympic Peninsula Transmission Line Reinforcement Project – Thurston and Mason counties, Wash.

BPA completed the EA and FONSI and decided to proceed with the project. Activities include removing most of its existing Olympia Shelton No. 1 115-kV transmission line (structures and conductor) from Olympia Substation to Shelton Substation and replacing the last 14.5 miles of this line into Shelton Substation with a double-circuit 230-kV line on lattice steel towers. This will improve voltage stability during winter-peak load conditions on the Olympic Peninsula. The project is expected to be complete in fall 2009. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Olympic/.

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

An EA and FONSI were completed in May 2008. BPA decided to rebuild the Palisades Goshen line due to its age and deteriorated condition to ensure safe and reliable transmission service. Access-road and line reconstruction for the first 25 miles was completed in summer 2008. Construction on remaining roads and line is scheduled for June 2009 and will continue, weather permitting, until November and is expected to be complete in 2010. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Palisades/.

SUPPLEMENT ANALYSES

- SA-399 – Schultz Raver No. 1, Kittitas County, Wash.

CALENDAR OF EVENTS

To view BPA's public involvement calendar, go to www.bpa.gov/corporate/public_affairs/Calendar/.

- **Big Eddy-Knight Transmission Project** – July 1, 4 to 7 p.m., Goldendale High School, 525 E. Simcoe Drive, Goldendale, Wash.
- **Central Ferry-Lower Monumental Transmission Line Project** – July 13, 4 to 7 p.m., Starbuck School Gymnasium, 717 Tucannon Street, Starbuck, Wash.
- **Grand Coulee Dam Cable Replacement** – July 16, 4 to 7 p.m., Coulee Dam Town Hall, 300 Lincoln Ave., Coulee Dam, Wash.

CLOSE OF COMMENT

- July 8 – TRM Supplemental Rate Case
- July 10 – DSI service to Port Townsend
- July 21 – Big Eddy-Knight Transmission Project
- Aug. 3 – Central Ferry-Lower Monumental Transmission Line Project

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.