



Journal

October 2010

Fall chinook return in record numbers

As of Sept. 20, nearly 18,000 adult fall chinook had been counted returning up the Snake River through Lower Granite Dam on their way to their spawning grounds.

That's a new record since counts began in 1975. And the run's not done yet. The fall run continues through Dec. 15. Snake River fall chinook are listed as threatened under the Endangered Species Act.

High water talks begin

BPA is issuing a report outlining steps it and others took this June during high Columbia River stream flows to avoid harming fish because of excess spill. This was the first high-runoff event since large amounts of wind power were added to the Northwest power mix, and it may have been a dress rehearsal for longer high-water periods that could occur in a wetter year.

BPA is calling parties together to consider how best to handle this occasional oversupply of power. Using the report as the starting point for a regional conversation, BPA is hosting the first workshop on this issue Oct. 12 (SEE CALENDAR).

The report and accompanying cover letter are available at www.bpa.gov/go/reports.

Wind in BPA grid tops 3,000 MW

It's official. BPA now hosts more than 3,000 megawatts of wind power in its transmission grid. At full capacity, that's as much energy as three large nuclear plants. At wind power's average output of roughly 30 percent, that's still as much energy as a nuclear plant.

The latest additions came at Portland General Electric's Biglow Canyon project near Wasco, Ore.

BPA expects to connect 798 megawatts of wind power to its grid this year. Next year, the agency expects more than 1,000 megawatts of wind to come on line.

BPA facilitates wind development by providing delivery through its transmission system. BPA also provides backup reserves for wind output as a transmission service.

Reserves are needed to keep the system stable at times when wind isn't blowing. The wind projects are owned by utilities and independent power producers.

For more on BPA's role in supporting Northwest wind power, go to www.bpa.gov/corporate/WindPower/.

Two wind pilot projects launched

Two pilot programs that could help BPA as more and more wind roars into its system were launched Sept. 1.

In the first pilot — the Customer Supplied Generation Imbalance project — wind power owner Iberdrola is fully responsible for providing its own generation imbalance reserves for the next year, freeing about 300 megawatts of federal system reserves for other uses.

Until now, wind power projects in BPA's transmission balancing area authority have relied entirely on federal hydropower to compensate for unscheduled swings in wind power output. BPA now reserves significant portions of federal hydro capacity to provide this service.

Getting to this point has taken more than two years. To make self-supply work, BPA and Iberdrola had to design, install and test communication protocols and telemetry, signaling systems, business and operating procedures. BPA also had to make sure it had the transmission capability to allow nonfederal resources on the transmission paths needed to back Iberdrola's power output.

The second pilot, a project with Calpine Corp., aims to make efficient use of federal hydropower resources and displace some natural gas-fired generation with carbon-free hydro

Watch us work

THE CONFEDERATED TRIBES OF THE COLVILLE RESERVATION ARE LEARNING A NEW WAY TO FISH.

In "The Friendliest Catch," see how BPA and the tribes are working to protect and restore Columbia Basin fish. Go to www.bpa.gov/go.news, or visit our **Facebook** page and **YouTube** channel.



while providing within-hour reserves to Northwest wind power projects.

BPA is buying up to 75 megawatts of reserve capacity from Calpine's natural gas-fired combined-cycle combustion turbine in Hermiston, Ore. When wind generation exceeds its schedule, BPA would normally back off hydro generation. Under the pilot, Calpine will instead back off its natural gas generation. BPA will in turn sell Calpine energy from the federal hydropower system to fulfill Calpine's energy delivery obligations. Calpine will pay BPA for this energy.

Conservation key to meeting growth

Most of BPA's incremental energy needs for the next several years can be met by meeting energy efficiency targets and relying on short- and mid-term market purchases.

That's according to BPA's recently released Resource Program which analyzes the agency's resources and supply obligations through 2019. It also informs BPA choices regarding the types of resources available for acquisition over the planning period, and is consistent with the Northwest Power and Conservation Council's Sixth Power Plan.

In addition to relying on conservation, BPA plans to continue to:

- Rely on short- and mid-term wholesale power market purchases.
- Facilitate integration of renewable resources into the BPA system.
- Increase transmission grid operating flexibilities, develop smart grid technologies and directly involve electricity users through demand response programs.

- Track, evaluate and pursue availability of pumped storage and natural gas-fired resources for seasonal heavy load hour energy and/or balancing reserves.

BPA sells its wholesale power at cost to regional consumer-owned utilities. Under law, the agency must meet the power needs of its customers, also known as public and preference customers. The Resource Program will be updated periodically.

BPA welcomes new customer

BPA welcomed a new wholesale power customer by signing a Regional Dialogue contract with Jefferson County Public Utility District in Washington Aug. 31. Jefferson County is the first consumer-owned electric utility to form under new long-term wholesale power contracts that go into effect Oct. 1, 2011, and run through Sept. 30, 2028.

The contracts are known as the Regional Dialogue contracts because of the multi-year discussions with the region's stakeholders that led to their development. They were signed by all BPA's consumer-owned utility customers in December 2008. They are historic in a number of ways, including the introduction of tiered rates and the number of years they will be in place.

Jefferson County Public Utility District has offered water and sewer services to a portion of Jefferson County for seven decades. It recently entered into an asset purchase agreement with Puget Sound Energy to buy that utility's distribution system in Jefferson County to supply electricity to retail customers.

Jefferson County PUD is qualified to receive power beginning July 1, 2013.

Public Involvement [Updates & Notices]

AGENCY PROJECTS

Quarterly Business Review [Regionwide]

BPA will host the Quarterly Business Review Nov. 2 (**SEE CALENDAR**). BPA staff will provide financial highlights of FY 2010, review fourth quarter results and look forward to FY 2011 start-of-year projections. A few days before the meeting, an agenda and other materials will be posted at www.bpa.gov/corporate/Finance/IBR/QBR/.

Integrated Program Review [Regionwide]

BPA expects to release the IPR final close-out report in mid-October. For information, go to www.bpa.gov/corporate/Finance/IBR/IPR/.

Columbia River Treaty 2014–2024 Review

The U.S. Entity to the Columbia River Treaty released its Supplemental Report to the Phase 1 Technical Study. The Phase 1 report only considered power and flood control operations under the Columbia River Treaty. As a companion to the Phase 1 Report, the Supplemental Report

goes a step further by providing information on how current U.S. fish operations may affect the operation of U.S. reservoirs or may be affected by called-upon flood control and termination or continuation of the Treaty. For information, go to www.crt2014-2024review.gov/.

2012 BPA Rate Proceeding [Regionwide]

BPA will conduct a combined power and transmission rate proceeding, the 2012 BPA Rate Case (BP-12), to set rates for the fiscal year 2012–2013 period. BPA intends to hold the Prehearing Conference Nov. 19. BPA will provide additional information about the rate case in October and November. For updates, check the rate case website at www.bpa.gov/corporate/ratecase/2012/ and the public involvement calendar at www.bpa.gov/go/calendar.

Energy Efficiency post-2011 proposal [Regionwide]

Five workgroups are working to provide recommendations to BPA on the implementation of energy efficiency programs. Workgroups will continue in October. BPA will consider these recommendations and make a

proposal available for public comment, which will provide guidance to BPA on program implementation. For information, go to www.bpa.gov/Energy/N/post-2011/.

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Willamette Mitigation Settlement Agreement [Regionwide]

The state of Oregon and BPA are inviting public comment through Oct. 12 on a new draft agreement that defines the federal obligation to mitigate the impacts of federal flood control dams in the Willamette Basin on wildlife habitat. BPA and Oregon will consider the feedback and decide whether to sign a final agreement this fall. For information and to comment, go to www.bpa.gov/comment.

Klickitat Hatchery Program EIS [Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

Yakama Nation – Mid-Columbia Coho Restoration Project [Chelan and Okanogan Counties, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Mid-Columbia_Coho_Restoration_Project/.

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

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Grande_Ronde/.

POWER – PROJECTS UNDER REVIEW

Residential Exchange Program Settlement [Regionwide]

A broad group of consumer-owned utilities and their representatives, the region's investor-owned utilities, representatives of three state utility commissions, and the Citizens' Utility Board of Oregon reached an agreement in principle last month that may lead to settlement of long-standing disputes involving the Residential Exchange Program. BPA did not sign the AIP but will hold a public process to consider signing a binding settlement document if parties are successful in the current drafting efforts. In May 2007, the federal Ninth Circuit Court of Appeals issued legal opinions that invalidated BPA's previous approach to establishing IOU residential exchange benefits and preference customer rates. Since then, there have been additional administrative proceedings and litigation, as well as extensive discussions among all entities involved concerning how to proceed. Those discussions resulted in the agreement in principle.

Residential Exchange Program Compliance Review [Regionwide]

BPA accepted public comments on proposed language for new Residential Exchange Program protocols relating to the Compliance Review Program. The Compliance Review Program protocols assure that REP benefits claimed by participating utilities are correct and that the benefits are consistently and appropriately passed through to eligible residential and small-farm consumers. Under the proposed protocols, BPA will require exchanging utilities to coordinate directly with external auditors to show that the amounts invoiced and benefits received have been distributed according to the Residential Purchase & Sale Agreement and Load Eligibility Guidelines as outlined in their contracts with BPA. For information, go to www.bpa.gov/corporate/finance/ascm/letters.cfm.

Alcoa's request for contract extension [Regionwide]

Through a provision in its contract, Alcoa Intalco Works of Ferndale, Wash., has requested an extension of its power sales contract with

BPA for up to one year. Service under the current contract expires in May 2011. BPA will conduct an equivalent benefits test, pursuant to the contract, to determine if and for how long service under the contract could be extended. BPA will provide by early October the results of the EBT and its proposed decision for public review and comment before making a final decision in late October.

Draft Resource Program [Regionwide]

BPA released its final Resource Program, a report that summarizes BPA's analysis of resources and supply obligations through 2019. The report also informs BPA regarding the types of resources available for acquisition over the planning period, consistent with the Northwest Power and Conservation Council's Sixth Power Plan. The Resource Program document reflects comments received on BPA's draft Resource Program, issued in September 2009. For information, go to www.bpa.gov/power/P/ResourceProgram/Index.shtml.

TRANSMISSION – PROJECTS UNDER REVIEW

I-5 Corridor Reinforcement Project [Oregon and Washington]

BPA is proposing a new 500-kilovolt transmission line from a new substation near Castle Rock, Wash., to a new substation near BPA's Troutdale Substation, Troutdale, Ore. BPA announced project updates in August and held four meetings in August and September. Also, four new fact sheets that answer frequently asked questions are posted on the project website. A draft EIS is scheduled for fall 2011 followed by a formal comment period. For information, go to www.bpa.gov/go/15.

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

BPA is proposing a new 500-kilovolt transmission line between BPA's existing Big Eddy Substation in The Dalles, Ore., and a new substation (Knight) under an existing BPA line near Goldendale, Wash. BPA expects to issue a draft EIS this fall. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Big_Eddy-Knight/.

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

BPA is proposing a new 500-kilovolt transmission line between the new BPA Central Ferry Substation in Garfield County and BPA's Lower Monumental Substation in Walla Walla County, Wash. In September, BPA announced a preferred alternative for the route of the proposed line. For information, go to www.bpa.gov/go/centralferrylomo.

Hooper Springs Transmission Project [Caribou County, Idaho]

BPA is proposing a new 115-kilovolt transmission line and a new 138/115-kV substation, called Hooper Springs Substation, in Caribou County, Idaho. The project is needed to improve voltage stability and reliability on the transmission grid and to meet future load growth in southeast Idaho and the Jackson Hole area. For information, go to www.bpa.gov/go/hoopersprings.

Walla Walla-Tucannon River Transmission Line Rebuild [Walla Walla and Columbia counties, Wash.]

BPA is proposing to rebuild the 47-mile Walla Walla-Tucannon River 115-kilovolt transmission line. The agency will produce a preliminary EA this fall or winter. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Walla_Walla-Tucannon_River_Rebuild/.

Albany-Eugene Transmission Line Rebuild [Lane and Linn counties, Ore.]

BPA is proposing to rebuild approximately 32 miles of a 115-kilovolt wood pole transmission line. The agency will produce a preliminary EA this fall or winter. For information, go to www.bpa.gov/go/albany-eugene.

Bandon-Rogue No.1 Transmission Line Rebuild [Coos and Curry counties, Ore.]

BPA is proposing to rebuild the 115-kilovolt wood-pole Bandon-Rogue line. The agency will produce a preliminary EA this fall or winter. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Bandon-Rogue_Rebuild/.

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

The Bureau of Reclamation asked BPA to construct six new 500-kilovolt overhead transmission lines at Grand Coulee Dam to replace aging underground lines between the dam's third powerhouse and the 500-kV spreading yard. BPA expects to release a draft EA this winter. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Grand_Coulee/.

Juniper Canyon II Wind Interconnection Project [Klickitat County, Wash.]

Iberdrola Renewables, Inc., asked BPA to interconnect up to 101 megawatts from the proposed Juniper Canyon II Wind Project. To interconnect the project, BPA would build a new substation, the Wood Creek Substation, along an existing BPA transmission line near the town of Roosevelt, Wash. BPA will complete a ROD this fall or winter. For information, go to www.bpa.gov/go/junipercanyonII.

Radar Ridge Wind Project Interconnection [Pacific County, Wash.]

Energy Northwest asked BPA to interconnect up to 82 megawatts of power generated from the proposed Radar Ridge Wind Project located in Pacific County, Wash. The U.S. Fish and Wildlife Service will complete an EIS, and BPA will serve as a cooperating agency under NEPA. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Radar_Ridge_Wind_Project/.

Whistling Ridge Energy Project [Skamania County, Wash.]

In May, BPA released a joint draft EIS with the Washington Energy Facility Site Evaluation Council. BPA and EFSEC accepted comments on the draft and will address the comments in the final EIS, expected in spring 2011. For information, go to www.bpa.gov/go/whistling.

Horn Butte Wind Project [Gilliam and Morrow counties, Ore.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Horn_Butte_Wind_Project/.

Antelope Mountain Communication Project [Deschutes County, Ore.]

BPA proposes to construct a new 616 square-foot communications building and 80-foot microwave tower at the Antelope Communications Site on Pine Mountain near Bend, Ore., to help BPA maintain and operate the transmission system safely and reliably. BPA is waiting for approval from the U.S. Forest Service to begin construction. For information, go to www.bpa.gov/corporate/public_affairs/docs/2010/.

Transmission Services Facility Project [Vancouver, Wash.]

BPA is conducting a feasibility study on building a new office building on its Ross Complex in Vancouver to meet workspace needs. BPA will produce a preliminary EA this fall or winter. The feasibility study is expected to be complete by early 2011. For information, go to www.efw.bpa.gov/pdf/Transmission_Services_September_2009.pdf.

FISH AND WILDLIFE – PROJECTS UNDER CONSTRUCTION

Chief Joseph Hatchery Program [Okanogan County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project [Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Juniper Canyon I Wind Interconnection Project [Klickitat County, Wash.]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Juniper_Canyon_Wind/.

Albeni Falls-Sand Creek Transmission Line Project [Bonner County, Idaho]

For information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/default.cfm?page=albe.

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

For information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

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

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Leaning_Juniper/.

Palisades-Goshen Transmission Line Reconstruction [Bonneville and Bingham counties, Idaho]

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Palisades/.

CALENDAR OF EVENTS

To view BPA's public involvement calendar, go to www.bpa.gov/go/calendar. For Americans with Disabilities Act accommodations, please call toll free 800-622-4519.

High water report workshop:

- **Oct. 12**, 1 to 5 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Quarterly Business Review:

- **Nov. 2**, 1 to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Energy Efficiency post-2011 Phase 2 workgroup meetings: Go to www.bpa.gov/Energy/N/post-2011/ for up-to-date meeting information.

CLOSE OF COMMENT

- **Oct. 12**, Willamette Mitigation Settlement Agreement

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.

