

# memorandum

DATE: September 3, 2014

REPLY TO  
ATTN OF: KEC-4

SUBJECT: Environmental Clearance Memorandum

TO: John Wellschlager  
Account Executive, Long-Term Sales and Purchases – PTL-5

**Proposed Action:** Aggregated Demand Response Pilot Project

**Categorical Exclusion Applied (from Subpart D, 10 C.F.R. Part 1021):** B5.1 Actions to conserve energy or water; B4.4 Power marketing services and activities

**Location:** Portland, OR and Richland, WA

**Proposed by:** Bonneville Power Administration (BPA)

**Description of the Proposed Action:** BPA proposes to enter into a short-term aggregated demand response pilot project agreement with Energy Northwest, a public power joint operating agency in Richland, WA. Under the terms of the agreement, Energy Northwest would aggregate and dispatch demand response assets from loads served by Pacific Northwest public utilities (City of Richland, Centralia City Light, Cowlitz Public Utility District, Eugene Water and Electric Board, and Kootenai Electric Cooperative). Demand response assets would include an existing battery storage system, substation voltage control, and load reductions from water heaters, pumps, and motors. These assets would be used to test an aggregator's ability to respond to BPA's signals during demand response events and deliver capacity for balancing reserves and operational flexibility. All demand response assets under the pilot agreement would be provided from existing grid infrastructure and generation sources would continue to operate within normal operating limits.

**Findings:** BPA has determined that the proposed action complies with Section 1021.410 and Appendix B of Subpart D of the Department of Energy's (DOE) National Environmental Policy Act (NEPA) Regulations (57 FR 15144, Apr. 24, 1992, as amended at 61 FR 36221-36243, July 9, 1996; 61 FR 64608, Dec. 6, 1996, 76 FR 63764, Nov. 14, 2011). The proposed action does not present any extraordinary circumstances that may affect the significance of the environmental effects of the proposal. The proposal is not connected [40 C.F.R. 1508.25(a)(1)] to other actions with potentially significant impacts, has not been segmented to meet the definition of a categorical exclusion, is not related to other proposed actions with cumulatively significant impacts [40 C.F.R. 1508.25(a)(2)], and is not precluded by 40 C.F.R. 1506.1 or 10 C.F.R. 1021.211.

This proposed action meets the requirements for the Categorical Exclusions referenced above. We therefore determine that the proposed action may be categorically excluded from further NEPA review and documentation.

*/s/ Jeffrey J. Maslow*  
Jeffrey J. Maslow  
Environmental Protection Specialist

Concur:

*/s/ Katherine S. Pierce*  
Katherine S. Pierce  
NEPA Compliance Officer

DATE: *September 3, 2014*

## Environmental Checklist for Categorical Exclusions

Name of Proposed Project: Aggregated Demand Response Pilot Project

Work Order #: 00003863

**This project does not have the potential to cause significant impacts on the following environmentally sensitive resources. See 10 CFR 1021, Subpart D, Appendix B for complete descriptions of the resources. This checklist is to be used as a summary – further discussion may be included in the Categorical Exclusion Memorandum.**

<u>Environmental Resources</u>	<u>No Potential for Significance</u>	<u>No Potential, with Conditions (describe)</u>
1. Historic Properties and Cultural Resources	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. T & E Species, or their habitat(s)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Floodplains or wetlands	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Areas of special designation	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Health & safety	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Prime or unique farmlands	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Special sources of water	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Other (describe)	<input type="checkbox"/>	<input type="checkbox"/>

Signed: /s/ Jeffrey J. Maslow

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