BONNEVILLE POWER ADMINISTRATION

Journal

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Land acquisition protects Willamette Valley wildlife

Building upon a well-established ethic in the Eugene area, BPA teamed with the Nature Conservancy and the Oregon Department of Fish and Wildlife to secure 310 acres in the Willamette Valley adjacent to two existing conservation projects.

Nestled between the Fern Ridge Wildlife Area and the city of Eugene's Coyote Prairie wetland mitigation site, Coyote Creek provides a mix of rare wet prairie and riparian forest habitats.

The land was purchased through a closed-bid auction by the Nature Conservancy in 2012. BPA ratepayers provided $805,000 for a permanent conservation easement on the property as well as a transfer of its title to ODFW.

"BPA provides the structure and resources to approach a project like this," said Dan Bell, the Willamette Basin conservation director for the Nature Conservancy. "ODFW is a great fit for long-term ownership because they're managing the Fern Ridge property next door, so they have people and resources already in the area."

BPA partners with local and state agencies and nonprofit organizations to preserve and restore wetlands in the Willamette Valley. A 15-year agreement between BPA and Oregon, called the Willamette Valley Wildlife Habitat Agreement, provides stable funding for wildlife habitat acquisitions for more than 26,000 acres in the Willamette Valley to offset the impacts of federal dams on the Willamette River and its tributaries.

Recent mapping and studies show less than 1 percent of the historic range of wet prairie remains in the Willamette Valley. Wet prairie is a seasonal wetland that is partially inundated from late winter to May. The area is prime habitat for waterfowl, grassland birds, red-legged frogs, native cutthroat trout and other species.

In addition to 211 acres of wet prairie, Coyote Creek is comprised of riparian forest, shrub and oak woodland. The fact that the Coyote Creek land forms a corridor

The recent acquisition of Coyote Creek near Eugene, Ore., will enable Oregon Department of Fish and Wildlife to engage in habitat restoration work for the benefit of numerous fish, wildlife and plant species, including the Northern red-legged frog. The acquisition was paid for by BPA ratepayers. Photo courtesy of ODFW.

Watch us work

- **FISH PASSAGE IMPROVEMENTS** increase survival. See how the Bureau of Reclamation, the U.S. Army Corps of Engineers and BPA collaborate on fish passage improvements at federal dams on the lower Columbia and Snake rivers, dramatically increasing survival rates for juvenile salmon and steelhead. Fish passage survival has climbed to more than 96 percent at some dams, meeting or exceeding federal performance standards.
- **NEW OMSI EXHIBIT** gives visitors power. Get a glimpse of OMSI's new Renewable Energy exhibit, where you can learn how we get energy from sources such as wind, water and the sun. BPA is an exhibit sponsor.

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connecting similar habitat in both the Fern Ridge Wildlife Area and the Coyote Prairie was not lost on the partners involved in the acquisition.

"In the Willamette, generally 95 percent of the land is in private ownership," Bell said, adding that individual parcels often are small. "When you have that characteristic of private ownership and small parcels, it tends to be challenging to step back and think about the ecological viability of these systems or the species in them."

The connectivity drives up the conservation value of all the adjacent lands.

Over the next 12 to 18 months, ODFW will work with the city of Eugene to produce a land management plan, detailing restoration activities and recreational possibilities for Coyote Creek. The public will be asked to participate in the process through a series of meetings and a public comment process.

For more information, go to *www.dfw.state.or.us/wildlife*.

BPA offers education grants

BPA is offering $20,000 in science and energy education grants to nonprofit organizations, schools and others in support of work to educate students in grades kindergarten through 12 about the energy systems of the Pacific Northwest.

The goal of the program is to advance student understanding, awareness and interest in the issues and science involved in energy generation and transmission in the region.

"Science, technology, engineering and math education is absolutely vital to the Pacific Northwest, and this program represents an investment in the future innovators and leaders in the energy industry," said Elliot Mainzer, BPA acting deputy administrator.

The grant program is open to nonprofit 501(c)(3) tax exempt corporations. Teachers and schools may apply, but funding must go to an education foundation (usually through school districts). The recipients must be from, and funding used in, BPA's service territory in Washington, Idaho, Oregon and parts of Montana, Nevada and Wyoming.

Applications for project funding are due May 10, and funding will be awarded in June for projects beginning in the 2013/2014 school year. To enter a science and energy education grant proposal, go to *www.bpa.gov/goto/EducationGrants*.

The science and energy education grants are just one facet of BPA's education outreach program. It provides free presentations and information to K-12 schools to help students achieve energy literacy, and to support science, technology, engineering and math education. For information, go to *www.bpa.gov/goto/Education*.

BPA revises oversupply rate proposal

In consideration of the Federal Energy Regulatory Commission's December 2012 ruling that offered guidance on cost allocation, BPA refined its oversupply rate proposal. Under the revised proposal, the costs of oversupply would be allocated to customers using the transmission system during periods of oversupply. Under this proposed framework, each of the users, including BPA Power Services, bears its proportionate share of the costs based on its level of use.

In March 2012, BPA filed the original Oversupply Management Protocol with FERC as Attachment P to its Open Access Transmission Tariff. In that filing, BPA proposed to allocate oversupply costs equally between power customers and generators that elect compensation under the OMP. In December 2012, FERC issued a ruling conditionally accepting OMP contingent upon BPA submitting a different cost allocation methodology within 90 days of the ruling.

Early this year, BPA requested a stay of that order so that it could finish its oversupply rate case, now scheduled to conclude in August, before submitting a cost allocation proposal. FERC accepted this request. On April 12, BPA released its new rate proposal and is seeking comment. The general public (participants, as opposed to formal parties to the rate case) may submit comments until May 22.

The rate-setting process will end with the BPA administrator making a decision based on the record developed in the case. BPA expects to issue a final record of decision on August 28.

Demand Response program honored

BPA was among four demand response programs to earn top honors in April at the Peak Load Management Alliance Awards in Austin, Texas. The PLMA Award Program recognizes energy industry leaders that create innovative methods to meet peak load needs, mitigate price risks and manage variable generation.

"The award reflects the groundbreaking work the BPA demand response team is doing with our dedicated and enthusiastic partners," said Lee Hall, BPA smart grid program manager. "We are excited about the potential for demand response to be part of the solution as we seek innovative ways to balance and store variable, renewable energy."

BPA received the Innovative Application of Demand Response Award. The agency conducted two pilot projects to draw upon demand response capacity from commercial and industrial sites to balance both increases and decreases in supply from renewable resources, as well as traditional generation. One pilot tested the ability of a paper mill to provide up to 40 MW of bi-directional capability by controlling pulp refining. The program also tested a number of other businesses, including lumber yard, hospital, wastewater and government office loads for a total of eight sites and another 900 kW of load impact.

BPA also worked closely with customer utilities and five refrigerated warehouse sites throughout the Pacific Northwest as part of the Smart End-Use Energy Storage and Integration of Renewable Energy Pilot. These sites were enabled for automated DR functionality and thus were able to provide more than 1,300 kW of load reduction and more than 800 kW of load increase, as directed through BPA's demand response automation server, within 10 minutes of notification. The BPA program serves as an innovative model for how demand response can be used to help manage the intermittency of the Northwest's growing renewable energy resources.

Other winners were Dakota Electric Association (Outstanding Program Participation), Nashville Electric Service (Outstanding Collaboration) and PECO (Outstanding Program Achievement).

Demand response has grown from simply reducing peak loads to balancing supply and demand for increased efficiency and reliability of a smarter grid. Demand response and other methods of balancing intermittent power loads are becoming even more important as renewable energy becomes a larger part of electricity supply.

Computer system retires after keeping the lights on for 38 years

Long before the age of the Internet, Angry Birds and digital connectivity, a group of BPA innovators made history. When BPA's Real-time Operations Dispatch and Scheduling system (aka RODS) came on line in 1974, it was one of the first systems of its kind.

Another bit of history: The computer experts brought in to work on the project included two whiz kids from Seattle, Bill Gates and Paul Allen, later the co-founders of Microsoft Corporation.

RODS was BPA's first computerized system to manage operations. It did pretty much everything, from automatic generation control to bill settlement to transmission scheduling, as well as many other functions that supported hydro operations.

For decades, BPA relied on RODS to manage its critical grid operations. But changes in technology over the years made using the old system an operational risk for the agency. In February, after 38 years of steadfast service, RODS was officially shut down.

But retiring the old system was no simple task. It took five years of thoughtful planning and coordinated development to transfer RODS' functions to new applications built on modern platforms.

"Replacing RODS was one of the more urgent and difficult automation efforts BPA has taken on — and it was also very high risk," says Larry Buttress, acting BPA executive vice president of Internal Business Services. "We needed to replace a mission-critical, monolithic, legacy system that had been in operation for 38 years with a portfolio of more supportable applications. The challenge was to accomplish all this without causing a disruption to critical business operations."

Fortunately for BPA and the region, the project team was successful. "The project was completed on time, $5 million under budget and with no operational disruptions — a tremendous accomplishment," Buttress says. "The team that worked on this did just an outstanding job."

Public Involvement [Updates & Notices]

AGENCY PROJECTS

Columbia River Treaty 2014/2024 review [Regionwide]

BPA and the U.S. Army Corps of Engineers are hosting a series of open-house-style public workshops so interested parties can participate in a collaborative regional process to evaluate the future of the Columbia River Treaty between the U.S. and Canada. While the Treaty has no specific end date, it contains provisions that will change its implementation in 2024. Additionally, either Canada or the U.S. can unilaterally terminate most provisions of the Treaty in 2024, with a minimum of 10 years' advance notice. The Treaty calls for two "entities" to implement the agreement, one for the U.S. and one for Canada. The U.S. Entity consists of the BPA administrator and the Northwestern Division engineer of the U.S. Army Corps of Engineers. The Canadian Entity is the British Columbia Hydro and Power Authority. The U.S. Entity is studying the current and potential future operations under the Treaty. The goal is to recommend to the U.S.

Department of State by the end of 2013 which elements to pursue in negotiations with Canada. For a list of upcoming meetings or for more information, go to *www.crt2014-2024review.gov*, email *treatyreview@bpa.gov*, or call BPA at 800-622-4519 or the Corps at 503-808-4510.

BP-14 and OS-14 Rate Cases [Regionwide]

BPA is holding proceedings to set rates for the 2014–2015 fiscal years. Power and transmission rates will be set in one docket, BP-14. A separate docket, OS-14, proposes rates to recover the costs BPA incurs under its Oversupply Management Protocol. For information, go to *www.bpa.gov/goto/RateCase*.

FISH AND WILDLIFE

Eightmile Ranch Coho Acclimation Site Proposal [Okanogan County, Wash.]

BPA and the U.S. Forest Service are preparing a joint environmental assessment for a project in the Methow Valley Ranger District of the Okanogan-Wenatchee National Forest. BPA is considering whether to fund the Confederated Tribes and Bands of the Yakama Nation's proposal to construct and operate an acclimation pond for coho salmon on the Eightmile Ranch, which is owned and operated by the Forest Service, approximately eight miles north of Winthrop, Wash. BPA is seeking comments through May 13. For information, go to *www.bpa.gov/goto/Eightmile.*

Walla Walla Basin Spring Chinook Hatchery Program [Umatilla County, Ore., and Walla Walla County, Wash.]

BPA has extended the comment period through May 15. BPA is considering whether to fund the construction and operation of a spring chinook hatchery near Milton-Freewater, Ore. The Confederated Tribes of the Umatilla Indian Reservation would own and operate the hatchery if BPA decides to build it. BPA will prepare an EIS. For more information, go to *www.bpa.gov/goto/WallaWallaHatchery*

Kootenai River White Sturgeon and Burbot Hatcheries Project [Boundary County, Idaho]

BPA expects to release a draft EA this month. The purpose of the proposed project, formerly called the Kootenai River Native Fish Aquaculture Program, would be to aid in the restoration and conservation of endangered Kootenai River white sturgeon. The Kootenai Tribe of Idaho has proposed the construction of a new hatchery facility on its property at the confluence of the Moyie and Kootenai Rivers, approximately eight miles upstream from Bonners Ferry, Idaho. For information, go to *www.bpa.gov/goto/kootenaiaquaculture.*

TRANSMISSION

Boyer-Tillamook Access Road Improvement Project [Tillamook and Yamhill counties, Ore.]

BPA expects to release a preliminary EA this spring on a project to improve a 13-mile portion of the access road system for the 115-kV Boyer-Tillamook No. 1 transmission line. For information, go to *www.bpa.gov/goto/BoyerTillamookAccessRoads*.

Network Open Season and Generation Interconnection Reform [Regionwide]

BPA continues to update customers and interested parties about its plans to perform a cluster study of certain transmission service requests in 2013. For information, go to *www.bpa.gov/goto/NOS*.

Precedent Transmission Service Agreement Reform [Regionwide]

BPA presented its approach for the new commercial transmission expansion program at a workshop in April. BPA reminded customers of the May 31 deadline for two actions: to submit transmission service requests for inclusion in the 2013 cluster study, and to elect individual studies. For information, go to *www.bpa.gov/goto/NOS*.

I-5 Corridor Reinforcement Project [Cowlitz and Clark counties, Wash., and Multnomah County, Ore.]

BPA accepted comments on the draft EIS through March 25. All comments are posted online. BPA will respond to comments in the final EIS, expected in 2014. As BPA prepares the final EIS, we will review the comments received and continue to work with cooperating agencies and landowners to refine the project location and design. For information, go to *www.bpa.gov/goto/i-5* or call 800-230-6593.

Grand Coulee-Creston Line Rebuild [Grant and Lincoln counties, Wash.]

BPA has posted public comments submitted on the proposal to rebuild nearly 28 miles of the Grand Coulee-Creston No. 1 115-kV transmission line between Coulee Dam and Creston, Wash. For information, go to *www.bpa.gov/goto/CouleeCrestonRebuild*.

Lane-Wendson Line Rebuild [Lane County, Ore.]

BPA has posted public comments on a proposal to rebuild the 41-mile 115 kV Lane-Wendson No. 1 transmission line between Eugene and Florence, Ore. For information, go to *www.bpa.gov/goto/LaneWendson*.

Hooper Springs Transmission Line Construction Project [Caribou County, Idaho]

BPA has posted public comments on the draft EIS, which was released in March. For information, go to *www.bpa.gov/goto/HooperSprings*.

FOR MORE INFORMATION

Information on other projects under environmental review is available at *www.bpa.gov/goto/NEPA*.

For information about the National Environmental Policy Act in general, go to *www.bpa.gov/goto/environmentalplanning*.

CLOSE OF COMMENT

Submit comments to *www.bpa.gov/comment*.

- **May 13,** Eightmile Ranch Coho Acclimation Site Proposal
- **May 15,** Walla Walla Basin Spring Chinook Hatchery Program
- **May 22,** Oversupply Rate Proceeding (OS-14)

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. Email 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.

DOE/BP-4522 • May 2013