

Proposed rates will maintain value of power, transmission systems

To keep pace with needed investments in the Federal Columbia River Power System, which provides carbon-free hydropower at cost to Northwest public utilities, BPA proposed a 6.7 percent average wholesale power rate increase for the fiscal year 2016–2017 rate period. BPA is also proposing a 5.6 percent increase in its transmission rates to sustain and expand the federal transmission system to meet regional needs, including renewable resource integration.

“During my time at BPA, I have become acutely aware of the economic impact our rates have on Northwest public utilities and the communities they serve,” said Elliot Mainzer, BPA administrator and chief executive officer. “However, these rate increases are necessary to sustain the tremendous value of the federal power and transmission system and to meet the electricity needs of the Northwest in a reliable and environmentally sustainable way.”

In January 2014, BPA began a discussion with the region about its proposed program levels, future costs and potential rates for fiscal years 2016 and 2017. At the outset of those discussions, BPA forecast double-digit increases for both its power and transmission rates. Over the next nine months, BPA conducted extensive public review of its programs and budgets in a regional process called the Integrated Program Review.

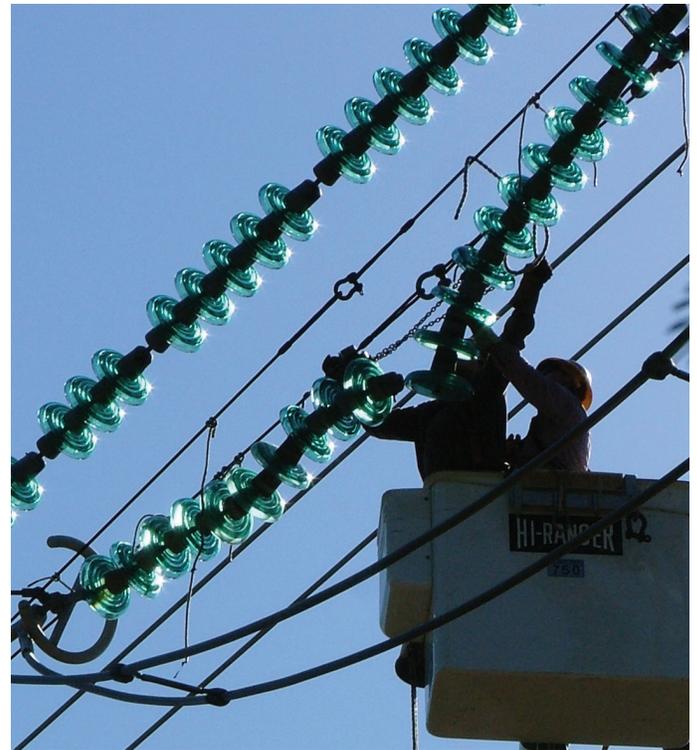
The IPR process allows interested parties to see all relevant FCRPS spending-level estimates in the same forum. The IPR occurs every two years, just before each rate case, providing participants with an opportunity to review and comment on BPA’s program estimates before spending levels are set for inclusion in the rate case. Program levels for fiscal years 2016 and 2017 were included in the Final IPR Close-out Report released in October of 2014.

“Working closely with our customers and other regional stakeholders over the past nine months, we managed to significantly cut the forecasted rate increases,” added Mainzer. The rate proposals will be considered during a public rate-setting process that began in early December and will culminate in July 2015 with decisions on final rates to take effect Oct. 1, 2015.

BPA is a nonprofit federal wholesale utility that receives no congressional appropriations and must recover its costs through its rates. The new rates will affect local retail utilities differently depending on the amount of power and type of services they purchase from BPA. Local utilities ultimately determine the retail impact of BPA rates on individual businesses and residents.

For details on the proposed power and transmission rates, as well as the rates for ancillary and control area services, see the news release at www.bpa/goto/news.

Insulator damage endangers public, power reliability



BPA is offering a reward of up to \$25,000 for tips about multiple incidents of insulators damaged by firearms on its high-voltage power line near Joint Base Lewis-McChord in Tacoma, Wash. Damaged insulators can put people nearby at risk of electric shock, serious injury or death.



“Shooting at electrical equipment is senseless, costly and endangers the safety of anyone in the area,” says Jeff Millenor, physical security manager for BPA.

Over the past few months, there have been four incidents of damaged insulators on BPA’s Olympia-Grand Coulee transmission line just southeast of Lewis-McChord, between Spanaway and Graham, Wash.

“We’re asking neighbors and anyone who has seen suspicious activity near BPA’s power lines to contact us,” says Sgt. Frank Clark of the Pierce County Sheriff’s Office. If you have information about the insulator shootings, please contact Sgt. Clark at 253-798-4963 or fclark2@co.pierce.wa.us.

Insulators are a critical component because they ensure electricity stays in the power lines and does not enter other equipment such as steel towers or poles. Damaged insulators can also cause a power line to flash over to ground, resulting in a power outage and creating a dangerous situation for utility workers. And unfortunately, Northwest ratepayers will absorb the repair costs in their electric rates.

BPA offers up to \$25,000 for information that leads to the arrest and conviction of individuals committing crimes against BPA facilities and infrastructure. If you have information about illegal or suspicious activity on BPA property, please call BPA’s 24-hour, toll-free, confidential Crime Witness hotline at 800-437-2744. If you see illegal or suspicious activity happening in real time, first contact local law enforcement.

For more details about the program, go to www.bpa.gov/goto/CrimeWitness.

NWPPA spotlights synchrophasors, energy-saving competition



In recent pages of the Northwest Public Power Association’s Bulletin magazine, you can read about BPA’s industry-leading synchrophasor program and an innovative energy-saving competition supported by BPA.

In the November issue, NWPPA showcased Snohomish County Public Utility District’s energy-saving competition between small commercial businesses in Stanwood, Wash., a behavior-based energy efficiency competition funded by BPA.

In the Engineering and Operations column of the December issue, readers can learn how BPA is using phasor measurement units to operate the Northwest power system more efficiently and reliably.

You can find the Bulletin at www.NWPPA.org, or see the post on BPA’s website at www.bpa.gov/goto/news for links to these issues.

NWPPA is a regional trade organization that serves a diverse group of utilities in the Western states, Alaska and Canada.

Watch us work



PLATFORM FOR A MODERN GRID: CUSTOMER ENGAGEMENT

As the door opens for grid modernization, three utilities share their stories about engaging the customer when deploying new technologies in the nation’s largest smart grid demonstration.

TO WATCH go to www.bpa.gov/goto/news.

Watch us work



HABITAT PROJECT FOR STEELHEAD BENEFITS OTHER PRIZED FISH

What's good for the steelhead appears to be good for the salmon when it comes to habitat.

In November, BPA captured footage of salmon spawning in a stretch of the Little Wind River, which had recently been restored for the benefit of winter steelhead.

At the height of the spawning season, fish biologists from the Washington Department of Fish and Wildlife counted 40 coho and 40 chinook redds, or nests, in the Little Wind River — proof that the salmon were taking advantage of the improved conditions.

Through the BPA-funded, multi-year project, the Underwood Conservation District re-introduced habitat complexity along the lower stretch of the river by placing large woody debris, rocks and boulders at key points in the stream. This changed the velocity of the river from one long, fast riffle to a series of slower pools and fast riffles that provide better spawning and rearing habitat, as well as refuge for fish.

The conservation district also planted vegetation near the stream edge to provide shade that will lower the water temperature and create additional cover for fish from potential predators.

TO WATCH visit our Facebook page: www.facebook.com/bonnevillepower.

Public Involvement [Updates & Notices]

BPA PROJECTS

BP-16 Rate Case [Regionwide]

BPA published notice of its initial rate proposal for the BP-16 Rate Case in the Federal Register on Dec. 4. BPA is proposing a 6.7 percent average wholesale power rate increase and a 5.6 percent transmission rate increase for the fiscal year 2016–2017 rate period. BPA expects that the formal rate-setting process will culminate in filing a final rate proposal and the administrator's record of decision with the Federal Energy Regulatory Commission in late July 2015. BPA will request approval for the rates to be effective Oct. 1, 2015. For information, go to www.bpa.gov/goto/BP16.

Quarterly Business Review [Regionwide]

The next Quarterly Business Review will be held Feb. 3. To view the draft agenda, go to www.bpa.gov/goto/QBR and click on the Financial Overview website.

POWER

Cost verification for FY 2014 Slice true-up adjustment charge [Regionwide]

BPA did not receive any comments during the three-week comment period for the composite cost pool true-up table and the Slice true-up adjustment. As a result, there are no new agreed-upon procedures and the cost verification process is considered complete. The Slice true-up adjustments posted to BPA's website on Nov. 19, 2014, are final. The adjustment reflects the actual expenses and revenue credits for fiscal year 2014. The fiscal year 2014 composite cost pool savings is \$150 million when compared to the rate case forecast. As a result, the Slice true-up adjustment that is applicable to Slice customers is a total credit of \$40.8 million. For information, go to www.bpa.gov/goto/CostVerification.

Regional Low-Income Energy Efficiency Workgroup [Regionwide]

BPA convened a low-income energy efficiency workgroup after concluding a recent review of the BPA energy efficiency policy framework and associated implementation elements that were put in place on Oct. 1, 2011. Throughout the effort, known as the Energy Efficiency Post-2011 Review, multiple workgroups proposed improvements or modifications. BPA will implement some of the suggestions and will continue to consider other improvements to the program. The next meeting will be held on Jan. 27 in Portland, Ore. For more information, go to www.bpa.gov/EE/Policy/Pages/Low-Income-Efficiency.aspx. **SEE CALENDAR**

TRANSMISSION

Northern Mid-Columbia Joint Project [Douglas and Chelan counties, Wash.]

Public Utility District No. 1 of Douglas County and BPA are accepting comments through Jan. 30 on the draft environmental assessment for the proposed Northern Mid-Columbia Joint Project. If constructed, this 230-kV transmission line and associated facilities would be located south of Wenatchee, Wash., in Douglas and Chelan counties. A final EA is expected in summer 2015. For information, go to www.bpa.gov/goto/NorthernMidColumbia.

Salem-Albany Rebuild Project [Polk, Benton, Marion and Linn counties, Ore.]

BPA has decided to rebuild its 24-mile Salem-Albany No. 1 and the 28-mile Salem-Albany No. 2 wood-pole transmission lines. The 115-kV lines run from Salem to Albany, Ore., through Polk, Benton, Marion and Linn counties. For information, go to www.bpa.gov/goto/Salem-Albany.

ENVIRONMENT, FISH AND WILDLIFE

Wallooskee-Youngs Confluence Restoration Project [Clatsop County, Ore.]

BPA will be seeking comments on a draft environmental assessment as it evaluates whether to fund the restoration and enhancement of 193 acres of tidal wetlands. BPA expects to release the draft environmental assessment in January, and a 30-day comment period will follow. For information, go to www.bpa.gov/goto/WallooskeeYoungs.

Eightmile Ranch coho acclimation pond [Okanogan County, Wash.]

BPA and the U.S. Forest Service will be seeking comments on a draft environmental assessment to evaluate a proposal to construct and operate a coho acclimation pond at Eightmile Ranch. The proposed pond would be located on the Chewuch River, about eight miles north of Winthrop, Wash. BPA expects to release the draft environmental assessment in January. BPA will accept comments for 30 days after the assessment becomes available. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/EightmileAcclimation.

Kootenai River restoration at Bonners Ferry [Boundary County, Idaho]

BPA is proposing to fund a project by the Kootenai Tribe of Idaho to restore and enhance portions of the Kootenai River near Bonners Ferry, Idaho. The draft environmental assessment is expected to be released in January, and a 30-day comment period will follow. BPA will host an open house in Bonners Ferry on Jan. 29 to discuss the EA. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/BonnersFerry/. **SEE CALENDAR**

Trestle Bay Restoration Project [Clatsop County, Oregon]

BPA is cooperating with the U.S. Army Corps of Engineers to prepare a final environmental assessment for the Trestle Bay Restoration Project. The Corps is proposing to breach portions of the Trestle Bay jetty to improve habitat for juvenile salmon and steelhead. BPA expects the final assessment will be available in January at www.nwp.usace.army.mil/Media/Announcements.aspx.

CLOSE OF COMMENT

Jan. 30, Northern Mid-Columbia Joint Project

CALENDAR OF EVENTS

Low Income Energy Efficiency Workgroup

- **Jan. 27**, 8:30 a.m. to 12:30 p.m.
PNGC Power
711 N.E. Halsey St., Portland, Ore.

Kootenai River Restoration at Bonners Ferry

- **Jan. 29**, 5 to 7 p.m.
Bonners Ferry Chamber of Commerce
6373 Bonner St., Bonners Ferry, Idaho

Quarterly Business Review

- **Feb. 3**, 10 a.m. to 2:15 p.m.
BPA Rates Hearing Room
1201 N.E. Lloyd Blvd., Suite 200, Portland, Ore.

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.

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.

