

6450-01-P

DEPARTMENT OF ENERGY

Bonneville Power Administration

Hooper Springs Project

AGENCY: Bonneville Power Administration (BPA), Department of Energy (DOE).

ACTION: Notice of Intent to prepare an Environmental Impact Statement (EIS) and notice of floodplain and wetlands involvement.

SUMMARY: BPA intends to prepare an EIS in accordance with the National Environmental Policy Act (NEPA) on the proposed construction, operation, and maintenance of a 115-kilovolt (kV) transmission line and a 138/115-kV substation (collectively referred to as the Hooper Springs Project). The new BPA substation would be called Hooper Springs Substation and would be located adjacent to PacifiCorp's existing 345/138-kV Threemile Knoll Substation, located near the City of Soda Springs in Caribou County, Idaho. The new 115-kV single-circuit BPA transmission line would extend generally north and east from these substations to a connection with Lower Valley Energy's (LVE's) existing 115-kV Lane Creek Substation, east of the City of Wayan, Idaho. The proposed project would address voltage stability and reliability concerns of two of BPA's full requirements customers, LVE and Fall River Rural Electric Cooperative (Fall River), which purchase all or almost all of the electric power required to serve their loads from BPA under existing contracts. With this Notice of Intent, BPA is initiating the public scoping process for the EIS and is requesting comments about the proposal and its potential environmental impacts that BPA should consider as it prepares the EIS. In accordance with DOE regulations for compliance with floodplain and

wetlands environmental review requirements, BPA will prepare a floodplain and wetlands assessment to avoid or minimize potential harm to or within any affected floodplains and wetlands. The assessment will be included in the EIS.

DATES: Written scoping comments are due to the address below by August 9, 2010 to ensure their consideration in the preparation of the Draft EIS. Comments may also be submitted at the public scoping meeting to be held on July 29, 2010 in Soda Springs, Idaho at the address below. Scoping comments received after the comment period will be considered to the extent practicable.

ADDRESSES: Send written comments to inform the preparation of the Draft EIS, and requests to be placed on the project mailing list, to Hooper Springs Project, P.O. Box 9250, Portland, OR, 97207, or by fax to (888) 315-4503. You also may call BPA's toll free comment line at (800) 622-4519 and leave a message (please include the name of this project), or submit comments online at <http://www.bpa.gov/comment>. BPA will post all comment letters in their entirety on BPA's Web site at <http://www.bpa.gov/comment>.

On Thursday, July 29, 2010, an open-house style scoping meeting will be held from 5:00 p.m. to 7:00 p.m. at the Soda Springs High School, in the commons area, 300 E 1st N, Soda Springs, Idaho 83276. At the meeting, BPA will provide maps and other information about the project and have members of the project team available to answer questions and accept oral and written comments. You may stop by any time during the open house.

Persons needing reasonable accommodation to attend and participate in the public meetings should contact John Barco (see FOR FURTHER INFORMATION CONTACT) at least 10 business days prior to the meeting, to allow sufficient time to process requests. Information regarding the Hooper Springs Project is available in alternative formats upon request.

FOR FURTHER INFORMATION CONTACT: John Barco, Environmental Project Lead, Bonneville Power Administration – KEC-4, P.O. Box 3621, Portland, Oregon 97208-3621; toll-free telephone 1-800-282-3713; direct telephone 503-230-3223; or e-mail jwbarco@bpa.gov. You may also contact Erich Orth, Project Manager, Bonneville Power Administration – TEP-TPP-3, P.O. Box 3621, Portland, Oregon, 97208-3621; toll-free telephone 1-800-282-3713; direct telephone 360-619-6559; or e-mail etorth@bpa.gov. Additional information can be found at BPA's Web site: http://www.efw.bpa.gov/environmental_services/Document_Library/HooperSprings/

SUPPLEMENTARY INFORMATION:

BPA needs to respond to a request from LVE to help improve the stability and reliability of the transmission system in southeastern Idaho. LVE, along with Fall River, are full requirements customers of BPA that purchase all or almost all of the electric power required to serve their electrical loads from BPA under existing contracts. LVE and Fall River provide electrical service to eastern Idaho, northwestern Wyoming, and southwestern Montana.

Over the past few years, BPA has increased the voltage stability and reliability of its existing transmission lines in the area (e.g., Palisades-Goshen, Swan Valley-Goshen, Swan Valley-Teton, and Goshen-Drummond lines), which has helped improve the

stability and reliability of the Fall River transmission system and the northern portion of LVE's transmission system. However, the voltage stability and reliability of the southern portion of LVE's transmission system continues to be a concern. LVE's system experiences extreme peaks in electrical load during winter, when temperatures can drop to -50 °F and electricity is needed for heat. If a transmission line were to go out of service during these times, voltage instability could occur and utility customers could lose power, potentially creating life-threatening situations. The proposed project would allow BPA to provide transmission reinforcement to avoid loss of LVE's entire voltage load during peak winter conditions, enhance the existing system in the southern Idaho region, and prepare to meet ongoing and forecasted load growth of about 3 percent per year in southeast Idaho and the Jackson Hole valley area in Wyoming.

Background: In May 2009, BPA completed and issued a Preliminary Environmental Assessment (EA) (DOE/EA-1567) for BPA's proposal to construct, operate, and maintain Hooper Springs Substation and to partially fund LVE's construction, operation, and maintenance of a new 22-mile double-circuit 115-kV Hooper Springs-Lower Valley Line. The proposed line considered in the Preliminary EA extended from the proposed Hooper Springs Substation generally northeast across a portion of the U.S. Forest Service Caribou-Targhee National Forest (USFS), U.S. Bureau of Land Management (BLM) land, and private land, along the Blackfoot River, connecting with LVE's existing Lanes Creek-Valley Line at a point about 2 miles southeast of the intersection of Blackfoot River Road and Diamond Creek.

Based on comments received on the Preliminary EA, it was discovered that the proposed route identified in the Preliminary EA crossed four contaminated mining sites

(Conda, Ballard, Wooley Valley, and North Maybe Phosphate Mines) that are the subject of an ongoing Superfund Site Investigation for selenium soil contamination under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). Each of these Superfund Site Investigation areas is currently under review to determine the nature and extent of contamination. Given the presence of these Superfund Sites and the routing of the line as originally proposed, either through or near those sites, BPA has determined that preparation of an EIS is appropriate.

BPA will be the lead agency for preparation of the EIS. The USFS and BLM will act as cooperating agencies to assist with preparation of the EIS, including assisting BPA in evaluating transmission line alternatives and identifying interests that should be addressed in the EIS. If, after completion of the environmental review in the EIS, BPA decides to proceed with constructing, operating, and maintaining a new line, both the USFS and BLM would be able to use the information in the EIS to support their respective decisions to grant Special Use Permits to BPA, as appropriate, where the line would cross their respective lands. Additional cooperating agencies for the EIS may be identified as the proposed project proceeds through the NEPA process.

Alternatives Proposed for Consideration: BPA has identified three potential action alternatives that vary the transmission line by route, connection point, length, and voltage. Two of these alternatives would originate from the same proposed Hooper Springs Substation as was described in the May 2009 Preliminary EA, while the third alternative would originate from PacifiCorp's existing ThreeMile Knoll Substation. The three potential alternatives are as follows:

- *Hooper Springs Substation and Northernmost Route (Proposed Action):* Under this alternative, BPA would construct, operate, and maintain a new 115-kV, 32-mile, single-circuit transmission line, from BPA's proposed Hooper Springs Substation, extending generally north along Highway 34 before heading east to connect with LVE's existing 115-kV Lane Creek Substation east of the City of Wayan, Idaho, crossing both private land and public land (USFS and BLM lands), but remaining south of Grays Lake National Wildlife Refuge and outside the four known contaminated mining sites to the maximum extent practicable.
- *Hooper Springs Substation and Easternmost Route, with Line Adjustments:* Under this alternative, BPA would construct, operate, and maintain a new 115-kV, 22- to 30-mile, double-circuit transmission line, connecting PacifiCorp's existing Threemile Knoll Substation with the proposed BPA-constructed, operated, and maintained Hooper Springs Substation, extending generally northeast and then east before connecting with LVE's existing Lane Creek-Valley Line at a point about 2 miles southeast of the intersection of Blackfoot River Road and Diamond Creek Road. This alternative is similar to the action originally proposed in the Preliminary EA, except that BPA, rather than LVE, would retain ownership, operation, and maintenance of the line, and would route the line around known Superfund Sites, thus also lengthening the line.
- *Threemile Knoll Substation and Northernmost Route:* Under this alternative, BPA would not construct Hooper Springs Substation. BPA would construct, operate, and maintain a new 138-kV (230-kV construction), 32-mile, single-circuit transmission line, connecting PacifiCorp's existing Threemile Knoll

Substation with LVE's existing 138/115-kV Lane Creek Substation, using the route specified in the Proposed Action.

In addition to these three action alternatives, BPA also will consider a No Action Alternative. Under this alternative, BPA would not construct the Hooper Springs Substation or a transmission line. Other alternatives may be identified through the scoping process.

Public Participation and Identification of Environmental Resources: With this Notice of Intent, BPA is initiating the public scoping process for the Hooper Springs Project EIS. BPA will conduct a 30-day scoping period during which tribes, affected landowners, concerned citizens, special interest groups, local, state, and federal governments, and any other interested parties are invited to comment on the scope of the Draft EIS to be prepared. The potential environmental resources identified for analysis in most transmission line projects include land use, recreation, transportation and aviation, socioeconomics, cultural resources, visual resources, public health and safety, noise, electric and magnetic field effects, sensitive plants and animals and their habitats, soil erosion, wetlands and floodplains, and fish and water resources. BPA is seeking any additional information about these environmental resources, and impacts to those resources, from the proposed alternatives, including potential mitigation measures for each proposed alternative or different alternatives that may meet the technical requirements of the transmission system.

While all comments are appreciated, BPA specifically seeks comment to inform its analysis of the effects of any potential line route on bird species, habitat, and habitat use, including flyway patterns and other behaviors in the Grays Lake National Wildlife

Refuge area and any other flyway areas identified through this process. BPA also particularly seeks information about the nature and extent of the four known Superfund sites, and any other contamination in the area not currently known to the agency.

Scoping will help BPA further assess and refine the transmission line alternatives to be studied in the Draft EIS. Scoping will also ensure that a full range of issues related to this proposal are addressed in the Draft EIS, and identify significant or potentially significant impacts that may result from the proposed project. When completed, the Draft EIS will be circulated for review and comment, and BPA will hold public meetings to answer questions and receive comments. At this time, BPA expects to issue the Draft EIS in spring 2012. BPA will consider and respond to comments received on the Draft EIS in the Final EIS. The Final EIS is expected to be published in fall 2012. BPA's decision will be documented in a Record of Decision that will follow the Final EIS.

Issued in Portland, Oregon, on June 29, 2010.

/s/Stephen J. Wright
Stephen J. Wright
Administrator and
Chief Executive Office