

journal

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Federal power system performing well

The federal power system is keeping up with record demands for electricity in the Northwest. According to the Northwest Power Pool, a voluntary forum in the electrical industry that addresses reliability and operational adequacy, the highest regional demand for electricity ever was Dec. 15, at a peak of 63,252 megawatts. This substantially beat the last record peak of 60,103 MW that was set in the winter of 2007.

Electric utilities large and small across the Northwest and into portions of Canada saw an extreme demand for electricity during the cold spell in late December. Paul Norman, senior vice president for power services at BPA, said the agency's weather forecasters saw the storm events coming together early.

BPA coordinated with the U.S. Army Corps of Engineers and Bureau of Reclamation – operators of the federal dams and associated power plants – to take actions that could result in higher power production during the cold spell. BPA made advance power purchases, and the agencies together adjusted

schedules for planned unit maintenance at the hydro projects. They also coordinated use of reservoir flexibility at Libby and Grand Coulee dams and the Willamette projects.

Roadmap describes climate change activities

Wind forecasting research, telecommuting programs, ethanol refueling at the Ross Complex, improved power system modeling – these are just a few of the dozens of actions BPA is taking today that can help the agency's and the Northwest's efforts to address climate change.

The sum of BPA's current efforts is laid out in the agency's Climate Change Initial Roadmap published this month. It is posted on BPA's Web site at www.bpa.gov/corporate/pubs/Climate_Change_2008_Initial_Roadmap_final.pdf.

"This is our starting point, what we're already doing," said Jason Eisdorfer, BPA climate change strategist. "



It will serve as a baseline for discussions with the region about how best to reflect climate change concerns in BPA business practices and initiatives in the years ahead."

BPA's hydro and nuclear power resources are virtually free of greenhouse gas emissions. But the agency buys power from many sources to augment its supply as needed. A wide range of BPA activities, from delivering materials to construction sites to the success of energy efficiency programs, can also affect greenhouse gas output up or down.

The agency is committed to reporting its greenhouse gas emissions and to helping its customers as they work to comply with state Renewable Portfolio Standards and other greenhouse gas requirements.

Wildlife, as well as fish, gain protected habitat

During fiscal year 2008, BPA funded the purchase of more than 4,500 acres of additional habitat to benefit numerous species including both fish and wildlife. Since 1980, BPA has facilitated protection of more than 300,000 acres of habitat in the Northwest.

The land is managed by parties such as tribes, conservancy groups and state and federal fishery agencies. BPA maintains agreements with these entities to ensure long-term management and benefits.

Species that benefit from these habitat acquisitions include moose, white-tailed deer, elk, mule deer, blue grouse, waterfowl, raptors and numerous small game species. Habitat acquisitions also protect some species of fish, including bull trout which are listed as threatened. Many sensitive plants also are protected as a result of the acquisitions.

Habitat acquisitions are a way of mitigating harm to wildlife affected by building and operating hydropower dams. BPA receives credits for units of habitat it protects and enhances. These credits apply against a ledger that describes net habitat lost or damaged as a result of federal dams.

Interim DSI proposal follows Court ruling

In late December, the U.S. Ninth Circuit Court of Appeals issued a decision on BPA's service to the direct-service industries that affirms BPA's ability to serve the industries while clarifying how that service can be determined. Only two aluminum plants (Alcoa Ferndale and Columbia Falls Aluminum) and one pulp and paper mill (at Port Townsend, Wash.,) are served by BPA as DSIs, far fewer companies than existed 10 years ago.

BPA continues to analyze the impacts of this decision. The court is prescribing under what terms BPA's arrangements with DSIs can proceed. In the interim, BPA is proposing a draft amendment to the current

agreement between BPA and Alcoa that will continue to provide benefits to the DSIs through the remainder of FY 2009 in a manner that is consistent with the court's ruling. The agreement is available for public input and review through 5 p.m. Jan. 6, 2009.

In December, BPA sought public review and comment on a draft block power sales agreement with Alcoa that would be effective beginning in FY 2012 and run through 2028. The draft agreement, which is posted on BPA's Web site, reflects a number of comments submitted in an earlier comment period. After analyzing subsequent comments on this draft agreement, BPA will determine if it is to offer a contract to Alcoa and, if so, under what terms and conditions.

BPA's review of the additional comments will help ensure that, if a long-term contract is ultimately offered, BPA has included sufficient safeguards necessary to limit BPA's financial exposure while providing Alcoa an opportunity to sustain the Intalco operations. More information is available on BPA's Web site at www.bpa.gov/power/pl/regionaldialogue/implementation/documents/.

Small steps can save big on heating bills

Not all energy savings measures require time, expense or installation. Here are a few that will help you save on winter bills that require very little effort at no cost.

- **Check heating vents.** Make sure heating vents aren't blocked by furniture or other items.
- **Clean or replace furnace filters.** Forced air furnace filters trap dirt and dust. Clean or replace your filter about once a month during heating season.
- **Close chimney dampers.** An open chimney can pull warm air out of the house. Close the damper as soon as the fire is completely out.
- **Circulate heated air.** Since warm air rises to the highest areas, run a ceiling fan at a low speed to distribute warm air in the house.
- **Keep drapes and blinds closed.** Drapes add an extra layer of insulation. If you don't need the outside light, leave them closed. Turn blind louvers down toward the ground outside to divert rising heat back into the room.
- **Don't heat rooms that are not in use.**

For more energy-saving tips, visit BPA's Web site, www.bpa.gov.

Science Bowl draws record numbers

BPA will host its 17th Regional Science Bowl on Jan. 31 and Feb. 7 at the University of Portland in Oregon. This year, 64 middle-school teams will compete, the largest number of teams ever from Oregon and southwest Washington. Sixty-four high-school teams will also compete.

Seventeen Northwest colleges and universities will provide scholarships to the top three high school teams. Winners from both the middle school and

high school competitions will advance to the national science bowl in Washington, D.C., later this spring.

Co-sponsors for the event include the National Energy Technology Laboratory, AREVA and Schweitzer Engineering.

The BPA Science Bowl is a quiz-show-style round robin competition aimed at raising and encouraging students' interest in math, science and technology. For more information, visit www.bpa.gov/sb.

public involvement

updates and notices

FISH AND WILDLIFE – PROJECTS UNDER REVIEW

Chief Joseph Hatchery Program – Okanogan County, Wash.

The Northwest Power and Conservation Council recommended that BPA study a program sponsored by the Confederated Tribes of the Colville Reservation to assist in mitigation and recovery of summer/fall chinook salmon in the Okanogan subbasin and the Columbia River below Chief Joseph Dam. This program would include a new hatchery near the base of Chief Joseph Dam and acclimation ponds throughout the Okanogan River subbasin. Also being considered is the use of the proposed facilities to help return spring chinook salmon in the Okanogan subbasin. The program would augment the ceremonial and subsistence harvest of salmon for the Colville Tribes and would be designed to have no effect on Chief Joseph Dam operations. Public meetings on the draft EIS were held and comments were accepted through June 18, 2007. A final EIS and ROD are expected this winter. The U.S. Army Corps of Engineers is a cooperating agency in the EIS. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Chief_Joseph/.

Lyle Falls Fish Passage Project – Klickitat County, Wash.

In March 2008, BPA and its cooperating agencies released the draft Environmental Impact Statement for the proposed Lyle Falls Fish Passage Project located in Lyle, Wash. On May 12, 2008, the public comment period concluded on the DEIS. BPA released the final EIS in November. A ROD is expected to be completed this winter. BPA proposes to fund modification of the existing Lyle Falls fishway to more effectively allow adult fish to move into spawning areas in the upper Klickitat River, in accordance with current fish passage guidelines and standards. The project is also intended to improve facilities for fish monitoring, fish data collection and broodstock collection. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Lyle_Falls/.

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

BPA has conducted value engineering, land acquisition and final design according to the initial ROD signed March 11, 2005. A ROD authorizing construction is planned for late fall 2009 to coincide with National Marine Fisheries Service review of the programs Hatchery Genetics Management Plan. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Grand_Ronde/.

POWER – PROJECTS UNDER REVIEW

Centralia Coal Plant decision – Nationwide

After reviewing public input regarding the offer and sale of the Centralia Coal Plant and information provided by the affected

public utility customers, BPA has decided to allow the removal of the Centralia Coal Plant from the utilities' list of nonfederal resources. This decision means Seattle City Light, Grays Harbor PUD, Snohomish PUD and Tacoma Power will be able to remove their shares of the Centralia Coal Plant under their Regional Dialogue contracts without a reduction in their firm power purchases from BPA. This decision will be effective starting in FY 2012. BPA based its decision on rules established under Section 9(c) of the Northwest Power Act. General background information about this issue can be found in pages 55 through 60 of BPA's ROD on the July 2007 policy, which can be viewed on BPA's Web site at www.bpa.gov/corporate/pubs/RODS/2007/7-19-07_RD_ROD.pdf. In addition, a Nov. 18, 2008 cover letter explaining this recent decision is available at www.bpa.gov/power/pl/regionaldialogue/implementation/correspondence/.

Draft amendment to DSI contract – Nationwide

In late December, the U.S. Ninth Circuit Court of Appeals issued a decision on BPA's service to the direct-service industries that affirms BPA's ability to serve the industries while clarifying how that service can be determined. Only two aluminum plants (Alcoa Ferndale and Columbia Falls Aluminum) and one pulp and paper mill (at Port Townsend, Wash.) are served by BPA as DSIs, far fewer companies than existed 10 years ago. BPA continues to analyze the impacts of this decision. The court is prescribing under what terms BPA arrangements with DSIs can proceed. In the interim, BPA is proposing a draft amendment to the current agreement between BPA and Alcoa that will continue to provide benefits to the DSIs through the remainder of FY 2009 in a manner that is consistent with the court's ruling. The agreement is available for public input and review through 5 p.m. Jan. 6. For more information, go to BPA's Web site at www.bpa.gov/power/pl/regionaldialogue/implementation/documents/.

FCRPS Draft Systemwide Cultural Resources Programmatic Agreement – Nationwide

The Federal Columbia River Power System Draft Systemwide Cultural Resources Programmatic Agreement (PA) covers the management of historic properties affected by the multi-purpose operations of 14 FCRPS hydro projects. It provides the systemwide principles and commitments for the Lead Federal Agencies' compliance with Section 106 of the National Historic Preservation Act. Comments on the draft PA were accepted through May 11, 2008 and are currently being addressed. A new version of the PA and a comment/response spreadsheet explaining how comments were addressed will be available in 2009. For more information, go to www.efw.bpa.gov/environmental_services/fcrps.aspx.

Proposed agreement with Alcoa – Nationwide

Prior to the Court's DSI decision, mentioned above, BPA received nearly 640 public comments in response to an earlier proposed memorandum of understanding signed by BPA and Alcoa, Inc., and a framework for negotiating a subsequent

contract. The comment period closed Nov. 10, 2008. The MOU included a proposed set of principles that, if adopted, would lead to a power sale contract for a regional aluminum smelter owned by Alcoa. The outline for power service was intended to provide Alcoa's Intalco plant, located in Ferndale, Wash., a reasonable chance of survival without causing significant impacts on other power customers. Under the proposed set of principles, BPA would provide 240 aMW of power for 10 years starting in 2012 and 160 aMW for an additional seven years. This compares to Alcoa's current financial benefits from BPA that are equivalent to 390 aMW. BPA staff analyzed the comments and, as a result, developed a draft block power sales agreement that would be effective beginning in FY 2012 and run through 2028. BPA accepted public comment on the draft agreement through Dec. 22. If BPA decides to move forward with a contractual agreement, a draft contract template will be released for subsequent public review and comment. For more information, go to BPA's Web site at www.bpa.gov/power/pl/regionaldialogue/implementation/documents/.

TRANSMISSION – PROJECTS UNDER REVIEW

Albany-Burnt Woods/Santiam-Toledo Pole Replacement – Linn and Benton counties, Ore.

BPA is proposing to rebuild the wood pole sections of the Albany-Burnt Woods and Santiam-Toledo transmission lines by replacing existing wood poles and improving access roads that approach the line. BPA accepted comments on the potential environmental impacts of these construction activities through Nov. 24, 2008. BPA expects to release a preliminary EA for review and comment this winter. For more information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

Golden Hills Wind Farm Interconnection – Sherman County, Ore.

BP Alternative Energy requested interconnection of 200 MW of power generated from the proposed Golden Hills Wind Project that would be located in Sherman County, Ore. BPA proposes to interconnect the project by installing equipment and expanding PGE's existing Biglow Substation. BPA would also purchase a portion of the substation and the control house. For more information, go to www.transmission.bpa.gov/PlanProj/Wind/.

Kittitas Valley Wind Project Interconnection – Kittitas County, Wash.

Sagebrush Power Partners LLC, a wholly owned subsidiary of Horizon Wind Energy LLC, requested interconnection of up to 108 MW of electricity generated from the proposed Kittitas Valley Wind Project in Kittitas County, Wash. BPA proposed to interconnect the project by constructing a new substation adjacent to its Columbia-Covington 230-kV line. BPA accepted comments on the proposed interconnection through Aug. 25, 2008. For more information, go to www.transmission.bpa.gov/PlanProj/Wind/.

Leaning Juniper III - Jones Canyon Substation Expansion Wind Interconnection Project – Gilliam County, Ore.

Iberdrola Renewables, Inc. requested interconnection of up to 200 MW of electricity generated from the proposed Leaning Juniper III Wind Power Project. Iberdrola would independently build, own and operate the wind project and its associated facilities. The project is in the early stages of environmental review. BPA expects to hold a public comment period on the

proposed interconnection from Jan. 5 through Jan. 23, 2008. For more information, go to www.transmission.bpa.gov/PlanProj/Wind/.

McNary-John Day Transmission Line Project – Sherman & Umatilla counties, Ore., Klickitat & Benton counties, Wash.

BPA is considering building a 79-mile 500-kV transmission line that was originally scheduled for construction six years ago and then put on hold. The line would run between the McNary and John Day substations in Oregon, but would mostly be located in Washington parallel to the Columbia River. BPA completed an EIS on the project in 2002, and is now preparing a supplement analysis to determine if there have been significant changes to the environment or project since the EIS was completed. BPA held public meetings in early November and accepted public comments through Nov. 20, 2008. For more information, go to www.transmission.bpa.gov/PlanProj/Transmission_Projects/.

TRANSMISSION – PROJECTS UNDER CONSTRUCTION

Libby (Flathead Electric Cooperative)-to-Troy Section of the Libby-to-Bonniers Ferry 115-kV Transmission Line Rebuild – Lincoln County, Mont.

BPA completed the EIS and made a decision to proceed with the project. BPA is rebuilding the 17-mile Libby-to-Troy section of the Libby-to-Bonniers Ferry single-circuit 115-kV transmission line to provide stable and reliable transmission service. Road-widening work began in September 2008 and was completed in November 2008. Access road construction and improvement and line reconstruction will begin as soon as weather permits in spring 2009. The project is expected to be completed in 2010. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Libby/.

Olympic Peninsula Transmission Line Reinforcement Project – Thurston and Mason counties, Wash.

BPA completed the EA and FONSI and decided to proceed with the project. Activities include removing most of its existing Olympia Shelton No. 1 115-kV transmission line (structures and conductor) from Olympia Substation to Shelton Substation and replacing the last 14.5 miles of this line into Shelton Substation with a double-circuit 230-kV line on lattice steel towers. This will improve voltage stability during winter-peak load conditions on the Olympic Peninsula. The project is expected to be complete in fall 2009. For more information, go to www.efw.bpa.gov/environmental_services/Document_Library/Olympic/.

SUPPLEMENT ANALYSES

SA-387 – Big Eddy-Chemawa No. 1, Clackamas and Multnomah counties, Ore., Skamania County, Wash.

CALENDAR OF EVENTS

To view BPA's public involvement calendar, visit www.bpa.gov/corporate/public_affairs/Calendar/.

CLOSE OF COMMENT

To view BPA's public involvement comment Web site, visit www.bpa.gov/comment.

Jan. 6 – Draft amendment to DSI contract

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.