

# Journal

March 2012

## BPA proposes resolution to electricity oversupply

BPA has proposed compensating wind energy producers within its section of the grid for periodically reducing their output when necessary to keep the electricity supply from exceeding demand during high river flows.

If BPA decides to proceed with the proposal, the agency will also propose in a rate case to split the cost of the compensation approximately equally between users of BPA's Federal Base System and wind energy producers in its grid.

The proposal comes after months of discussions with key stakeholders to find an equitable solution to occasional electricity oversupply. The proposal is based on concepts developed in these discussions.

Although the discussions are ongoing, BPA is releasing its proposal for public review now so the agency can meet a March 6 deadline with the Federal Energy Regulatory Commission.

The terms would run through 2015. The proposal is described in two documents: new tariff language for addressing oversupply and a detailed narrative that explains the proposed methods for managing oversupply and allocating the associated costs. The documents can be found at [www.bpa.gov/go/oversupply](http://www.bpa.gov/go/oversupply).

## Capital Investment Review begins March 8

BPA invites you to participate in a process to review and comment on BPA's long-term capital forecasts and draft asset strategies. The Capital Investment Review will begin with a meeting March 8 and conclude May 4, before the 2012 Integrated Program Review. BPA plans to release further meeting details at the end of March.

Visit the Capital Investment Review website at [www.bpa.gov/corporate/Finance/IBR/CIR/](http://www.bpa.gov/corporate/Finance/IBR/CIR/).

## Working in grueling conditions, crews repair line

After spending two weeks battling mud, snow and ice in the steep terrain of the Columbia River Gorge, BPA line crews have repaired and re-energized the historic Bonneville-Hood River line.

"It was an incredible feat of human endurance. We did what we had to do for the many people who depend on



Crews install a new wooden structure on the Bonneville-Hood River line.

BPA transmission," says Scott Williams, line foreman III from The Dalles.

The fierce storm that swept through the Northwest on Jan. 19 and 20 brought down two sections of the 115-kilovolt Bonneville- Hood River line located 18 miles east of Cascade Locks. It damaged three towers and destroyed seven others, bending some of the 100-foot-tall metal structures clear to the ground.

This repair job became a top priority for Transmission Services. Dozens of employees from several BPA departments quickly developed and approved plans to restore the line and the damaged towers. Line crews either hiked in or used tracked vehicles to access the remote area and begin the repair.

"Our crews worked in tough conditions and rebuilt the line in 14 days, which is a huge accomplishment," says Brian Silverstein, senior vice president of Transmission Services. "Thanks to their efforts to get the job done quickly and safely, BPA was able to re-energize the line Feb. 3. Their commitment is impressive, and is something we can all take pride in."

This accomplishment was no easy task. For two solid weeks, crews from The Dalles, Redmond, Ross and Salem plus additional workers from Pasco, Ellensburg, Spokane, North Bend, Alvey and Montana put in 16-hour days. They also faced a grueling work environment that included brutal weather, two feet of mud and terrain fit only for goats.



Dave Koski, Operations and Maintenance manager for The Dalles District, says the Bonneville-Hood River line repair is one of the most demanding projects he's seen in his 30 years in the utility industry. "I have never seen the combination of damage, weather and terrain challenges wrapped into a single event," Koski says. "Our crews did a fantastic job."

## Customers sign up for intrahour schedule

Two BPA customers have committed to faster-paced energy schedules, increasing the electric grid's flexibility to absorb changes in wind energy generation and reducing costs for both the customers and BPA.

Portland General Electric and Snohomish PUD will schedule transmission of energy through BPA's system every half hour — doubling the previous pace of once an hour — in exchange for a 34 percent reduction in the rate BPA charges for balancing services. The more frequent scheduling helps the energy market better adjust to fluctuations in wind generation. See [www.bpa.gov/go/CustomersSignUp](http://www.bpa.gov/go/CustomersSignUp).

## BPA green lights DC intertie improvements

Newly proposed upgrades to the direct-current intertie, an electrical superhighway between the Northwest and Southern California, will increase its capacity from 3,100 to 3,220 megawatts, avoid outages and strengthen it against weather and other threats.

The intertie, one of the world's longest and highest capacity transmission lines, delivers renewable Northwest hydropower and increasing amounts of wind energy to California, while carrying electricity north to meet winter demand in the Northwest.

The improvements, estimated to cost approximately \$428 million, would modernize equipment that was cutting edge when installed more than 40 years ago but has aged to where BPA now in extreme circumstances locates parts on eBay. The upgrades beginning in 2015 would provide jobs and an economic boost in the Columbia River Gorge while replacing aging equipment with a simplified, modern converter terminal. Crews would also work to upgrade and reinforce BPA's portion of the DC transmission line.

"The intertie is an engineering and economic legacy and this critical work will expand its value to the Northwest and the entire West Coast," said Brian Silverstein, senior vice president of BPA Transmission Services. "Upgrades to this vital energy link ensure that it will be available when needed. It will also reduce long-term operation and maintenance costs."

"Some of the equipment at our Celilo Substation is so old, finding replacement parts is a challenge. Some of this equipment should be in the Smithsonian," Silverstein said.

Equipment failures have at times caused BPA to reduce the capacity of the line, affecting customers who rely on it to move energy between the Northwest and California.

The project is subject to environmental review consistent with the National Environmental Policy Act. At the conclusion of that review, BPA will make a decision whether to proceed with the upgrades.

Construction would be scheduled to start in early 2015 and would be expected to be finished in early 2016. For one year during construction, BPA would take some equipment at Celilo off-line, reducing the DC intertie capacity from 3,100 to 2,000 megawatts. Increased costs for the upgrade will only be charged to users of the California intertie.

## EE efforts garner more awards

BPA's Energy Efficiency employees continue to be recognized for their efforts to boost energy conservation in the region. Team members have received four more awards in the later part of 2011.

### Federal Energy and Water Management Award

On Oct. 13, a BPA team received a Federal Energy and Water Management Award. Each year the U.S. Department of Energy, in conjunction with the Federal Interagency Energy Policy Committee, sponsors these awards to honor individuals and organizations making significant contributions to the efficient use of energy and water resources at federal facilities.

Erik Boyer, Tom Osborn, Kathryn Patton, Dick Stroh and Michelle Brooks received the award for efficiency efforts with reserve power irrigation districts that draw their pumping energy directly from the Federal Columbia River Power System.

### U.S. Department of Energy's EStar award

At a Nov. 3 ceremony in Washington, D.C., BPA was honored for its broader, sectorwide accomplishments. BPA received the U.S. Department of Energy's EStar (Environmental Sustainability) award, which recognizes projects that reduce environmental impacts, enhance site operations, reduce costs and demonstrate excellence in pollution prevention and sustainable environmental stewardship.

### Brad Miller named Partner of the Year

Brad Miller, senior program manager for irrigation and agriculture in Energy Efficiency, received the 2011 Partner of the Year award from Cascade Pacific Resource Conservation and Development. The award recognizes leadership in increasing energy efficiency of local agricultural producers.

### Distinguished award for industrial energy efficiency

The Association of Energy Services Professionals recognized the Bonneville Power Administration's Energy Smart

Industrial program on Feb. 8 for tripling its industrial annual energy savings in 2011, when compared to 2009 efforts.

The ESI program saved over 28 average megawatts of energy last year. In 2009, BPA's industrial efforts achieved 9.6 average megawatts in savings and more than 13 aMW in 2010.

For perspective, 28 megawatts is enough energy to power about 20,000 Northwest homes.

Jennifer Eskil, BPA's market lead for the industrial energy efficiency sector, accepted the Energy Award for Outstanding Program Design & Implementation on behalf of BPA at AESP's 21<sup>st</sup> National Conference & Expo.

## Public Involvement [Updates & Notices]

### AGENCY PROJECTS

#### Capital Investment Review [Regionwide]

BPA invites interested parties to participate in the Capital Investment Review, in which parties can review and comment on BPA's long-term capital forecasts and draft asset strategies. This review will include a kickoff meeting March 8 and a series of discussion meetings April 11-20. Input will help BPA establish the capital spending levels for the 2014 and 2015 fiscal years and inform the depreciation and interested expense levels that will be incorporated in the Integrated Program Review slated to begin in June. **SEE CALENDAR.**

[www.bpa.gov/corporate/Finance/IBR/CIR/](http://www.bpa.gov/corporate/Finance/IBR/CIR/)

### FISH AND WILDLIFE – PROJECTS UNDER REVIEW

#### Lolo Creek permanent weir fish trapping facility [Clearwater County, Idaho]

BPA is considering comments on a proposal to fund the replacement of a 10-year-old seasonal fish weir. The final EA is expected in fall 2012.

[www.bpa.gov/go/LoloCreekWeir](http://www.bpa.gov/go/LoloCreekWeir)

#### Kootenai River Native Fish Aquaculture Program [Boundary County, Idaho]

BPA expects to release a preliminary EA in spring 2012.

[www.bpa.gov/go/KootenaiAquaculture](http://www.bpa.gov/go/KootenaiAquaculture)

#### Klickitat Hatchery Complex Program [Klickitat and Yakima counties, Wash.]

BPA is incorporating comments into the final EIS, expected in spring 2012. [www.bpa.gov/go/KlickitatHatchery](http://www.bpa.gov/go/KlickitatHatchery)

#### Kalispel memorandum of agreement [Pend Oreille County, Wash.]

The Kalispel Tribe and the three federal action agencies are proposing to enter a 10-year memorandum of agreement for fish and wildlife mitigation projects. [www.bpa.gov/go/KalispelMemorandum](http://www.bpa.gov/go/KalispelMemorandum)

#### Yakama Nation Mid-Columbia Coho Restoration Program [Chelan and Okanogan counties, Wash.]

The final EIS will be available in March 2012.

[www.bpa.gov/go/MidColumbiaCoho](http://www.bpa.gov/go/MidColumbiaCoho)

#### Springfield Sockeye Hatchery Project [Bingham County, Idaho]

BPA released a preliminary EA for public review in December 2011, accepted comments through Jan. 16, 2012, and expects to publish a final EA this spring. [www.bpa.gov/go/SpringfieldHatchery](http://www.bpa.gov/go/SpringfieldHatchery)

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

A second ROD authorizing construction is deferred until the National Marine Fisheries Service reviews and approves the program's Hatchery Genetics Management Plan, which is scheduled for 2012.

[www.bpa.gov/go/SpringChinookHatchery](http://www.bpa.gov/go/SpringChinookHatchery)

### TRANSMISSION – PROJECTS UNDER REVIEW

#### Alvey-Fairview line rebuild [Lane, Douglas and Coos counties, Ore.]

BPA accepted comments and held public meetings in December on a proposal to rebuild the Alvey-Fairview No.1 transmission line. BPA expects to publish a preliminary EA in fall 2012.

[www.bpa.gov/go/AlveyFairview](http://www.bpa.gov/go/AlveyFairview)

#### Network Open Season and Generation Interconnection Reform [Regionwide]

BPA is working individually with customer proposals for withdrawing or modifying Precedent Transmission Service Agreements. The agency is evaluating proposals and account executives are sharing feedback with customers. **SEE CALENDAR.**

[www.bpa.gov/go/NetworkOpenSeason](http://www.bpa.gov/go/NetworkOpenSeason)

#### I-5 Corridor Reinforcement Project [Oregon and Washington]

BPA is evaluating potential routes for a proposed new 500-kilovolt transmission line to reinforce the power grid in southwest Washington. A draft EIS is scheduled for spring 2012 to be followed by a formal comment period. [www.bpa.gov/go/i5](http://www.bpa.gov/go/i5)

#### Celilo direct current terminal upgrade project [Wasco County, Ore.]

BPA is proposing a major upgrade of the Pacific Direct Current Intertie. The project would modernize and simplify equipment at the Celilo terminal and include reinforced towers at selected locations on the northern part of the DC line. Construction is proposed to begin in early 2015.

#### Midway-Benton No.1 Replacement Project [Benton County, Wash.]

BPA accepted comments on a proposal to rebuild the 115-kV Midway-Benton No. 1 and Benton-Othello No. 1 transmission lines. A preliminary EA is expected in summer 2012.

[www.bpa.gov/go/MidwayBenton](http://www.bpa.gov/go/MidwayBenton)

#### Lund Hill Wind Interconnection Project [Klickitat County, Wash.]

BPA is deciding whether to interconnect up to 60 megawatts from the proposed Lund Hill Wind Project. BPA expects to complete a ROD in winter 2012. [www.bpa.gov/go/LundHillWind](http://www.bpa.gov/go/LundHillWind)



### **Creston-Bell transmission line rebuild [Lincoln and Spokane counties, Wash.]**

BPA is proposing to rebuild approximately 54 miles of 115-kilovolt wood pole transmission line. [www.bpa.gov/go/CrestonBell](http://www.bpa.gov/go/CrestonBell)

### **Albany-Eugene transmission line rebuild [Lane and Linn counties, Ore.]**

BPA is proposing to rebuild approximately 32 miles of a 115-kilovolt wood pole transmission line. BPA will accept comments on the draft EIS through March 5, 2012. [www.bpa.gov/go/AlbanyEugene](http://www.bpa.gov/go/AlbanyEugene)

### **Hooper Springs Transmission Project [Caribou County, Idaho]**

BPA is proposing a new 115-kilovolt transmission line and a new 138/115-kV substation, called Hooper Springs Substation, in Caribou County, Idaho. BPA expects to publish a draft EIS in summer 2012. [www.bpa.gov/go/HooperSprings](http://www.bpa.gov/go/HooperSprings)

### **Juniper Canyon II Wind Interconnection Project [Klickitat County, Wash.]**

BPA is deciding whether to interconnect up to 101 megawatts from the proposed Juniper Canyon II Wind Project. To interconnect the project, BPA would build a new substation, the Wood Creek Substation, along an existing BPA transmission line near Roosevelt, Wash. BPA expects to complete a ROD in winter 2012. [www.bpa.gov/go/JuniperCanyonII](http://www.bpa.gov/go/JuniperCanyonII)

### **Whistling Ridge Energy Project [Skamania County, Wash.]**

BPA and Washington Energy Facility Site Evaluation Council released a final EIS in August. BPA plans to issue a ROD by April 2012. [www.bpa.gov/go/Whistling](http://www.bpa.gov/go/Whistling)

### **Antelope Mountain Communication Project [Deschutes County, Ore.]**

[www.bpa.gov/go/AntelopeMountain](http://www.bpa.gov/go/AntelopeMountain)

### **Transmission Services Facility Project [Vancouver, Wash.]**

[www.bpa.gov/go/FacilityProject](http://www.bpa.gov/go/FacilityProject)

### **Montague Wind Power Project [Gilliam County, Ore.]**

BPA is asking for comments on a proposed interconnection and a substation expansion. Iberdrola Renewables Inc. asked BPA to interconnect up to 404 megawatts to BPA's transmission system. BPA will accept comments through March 16, 2012. [www.bpa.gov/go/Montague](http://www.bpa.gov/go/Montague)

## **FISH AND WILDLIFE – PROJECTS UNDER CONSTRUCTION**

### **Chief Joseph Hatchery Program [Okanogan County, Wash.]**

[www.bpa.gov/go/ChiefJoseph](http://www.bpa.gov/go/ChiefJoseph)

### **Lyle Falls Fish Passage Project [Klickitat County, Wash.]**

[www.bpa.gov/go/LyleFalls](http://www.bpa.gov/go/LyleFalls)

## **TRANSMISSION – PROJECTS UNDER CONSTRUCTION**

### **Albeni Falls-Sand Creek Transmission Line Project [Bonner County, Idaho]**

[www.bpa.gov/go/AlbeniFalls](http://www.bpa.gov/go/AlbeniFalls)

### **Big Eddy-Knight Transmission Project [Wasco County, Ore., and Klickitat County, Wash.]**

[www.bpa.gov/go/BigEddyKnight](http://www.bpa.gov/go/BigEddyKnight)

### **Grand Coulee Dam line replacement [Okanogan, Grant and Douglas counties, Wash.]**

[www.bpa.gov/go/Coulee](http://www.bpa.gov/go/Coulee)

### **Juniper Canyon I Wind Interconnection Project [Klickitat County, Wash.]**

[www.bpa.gov/go/JuniperCanyon](http://www.bpa.gov/go/JuniperCanyon)

### **Leaning Juniper II-Jones Canyon Substation Expansion Wind Interconnection Project [Gilliam County, Ore.]**

[www.bpa.gov/go/JuniperII](http://www.bpa.gov/go/JuniperII)

### **Palisades-Goshen transmission line reconstruction [Bonneville and Bingham counties, Idaho]**

[www.bpa.gov/go/PalisadesGoshen](http://www.bpa.gov/go/PalisadesGoshen)

### **Walla Walla-Tucannon River transmission line rebuild [Walla Walla and Columbia counties, Wash.]**

[www.bpa.gov/go/WallaWallaTucannonRiver](http://www.bpa.gov/go/WallaWallaTucannonRiver)

## **CALENDAR OF EVENTS**

To view BPA's public involvement calendar, go to [www.bpa.gov/go/calendar](http://www.bpa.gov/go/calendar). For Americans with Disabilities Act accommodations, please call toll free 800-622-4519.

### **BOATT Workshop**

- **March 6**, 9 a.m. to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

### **Transmission Rates Workshop**

- **March 7**, 9 a.m. to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

### **Capital Investment Review kickoff meeting**

- **March 8**, 1 p.m. to 4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

### **Capital Investment Review discussion meetings**

- **April 11**, 1 p.m. to 5 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **April 12**, 9 a.m. to 5 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **April 13**, 9 a.m. to noon, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **April 19**, 9 a.m. to 5 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.
- **April 20**, 9 a.m. to 5 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

## **CLOSE OF COMMENT**

Submit comments to [www.bpa.gov/comment](http://www.bpa.gov/comment).

- **March 5** — Albany-Eugene transmission line rebuild
- **March 16** — Montague Wind Power Project interconnection

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](mailto:comment@BPA.gov). BPA home page: [www.bpa.gov](http://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](http://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.

