



Journal

June 2012

75th anniversary 'Ode to the Columbia' video now available

BPA, the nation's largest carbon-free energy provider, celebrates 75 years. Taking less than five minutes, watch how the Columbia River's raw power helped to save a nation and transform a region. See what we have learned along the way. Discover how the Bonneville Power Administration holds steadfast in a pledge of responsible public service.

The project began when Teresa Waugh, a video journalist in Public Affairs, composed a "love letter" to the Columbia River.

"I was in a video marketing webinar where a producer suggested composing a love letter to your subject to make it more enticing to viewers," Waugh says. "I wanted to make the letter rhyme, just like song lyrics, only instead of hearing the words, the viewer would see them appear on the screen." She listed all the things the Columbia system does – brings us light, waters our crops, links in wind power, creates bridges to others. Then she added quick video clips set to music. "The content of the video was a group effort, with many people contributing ideas," she adds. The result is a concise, moving overview of BPA's 75th message.

To view the "Ode to the Columbia" video, go to www.youtube.com/user/BonnevillePower.

Energy Northwest, BPA save ratepayers millions with nuclear pact

Northwest ratepayers will benefit from a nuclear fuel purchase agreement that will generate \$80 million in rate case savings from 2014 to 2017 and potentially save many millions more in savings through 2028.

Contracts were signed May 15 among Energy Northwest, Tennessee Valley Authority, the U.S. Enrichment Corp., and the Department of Energy that will begin the process of turning depleted uranium into low-cost nuclear fuel.

The depleted uranium, also called uranium tails, would be enriched and delivered to Energy Northwest for use in the Columbia Generating Station. The program is similar to a pilot project in 2005 that reduced fuel costs by more than \$100 million.



The Columbia Generating Station provides about 10 percent of the power BPA markets.

"This will provide a substantial benefit to Columbia and Northwest ratepayers," said Mark Reddemann, CEO of Energy Northwest. "It will give us a stable fuel supply through 2028 and at a lower cost."

The expected net-present value of the transaction is estimated to be in excess of \$100 million (assuming a conservative 12 percent discount rate) primarily as a result of the reduced cost of fuel purchases for CGS.

The transaction results in near-term decreases in Energy Northwest/BPA costs of roughly \$20 million each year from 2014 to 2017, helping keep electricity rates lower than they otherwise would be. Future ratepayers will also benefit from access to low-cost fuel.

"This transaction, while not without risk, projects to produce benefits for ratepayers who get power from BPA both near and long term," said BPA Administrator Steve Wright. "We are particularly pleased with how well Energy Northwest and BPA worked together to assess and mitigate risk."

DOE approached BPA and Energy Northwest to gauge interest in uranium tailings that could be enriched to provide fuel for CGS, similar to the 2005 pilot project. DOE has an estimated 700,000 metric tons of depleted uranium hexafluoride now scheduled for disposal.



USEC enriches uranium at the Paducah Gaseous Diffusion Plant in Kentucky, which it leases from DOE. Under the agreement, USEC would provide Energy Northwest with 482 metric tons of enriched uranium product from depleted uranium. Through the agreement, Energy Northwest will contract with USEC to enrich the depleted uranium, which will also supply TVA.

Currently, Energy Northwest has enough fuel in inventory or under contract to meet its fuel reloading requirements through 2019. With the additional fuel, CGS's fuel costs will be reduced and predictable through 2028. CGS's recent license renewal will extend the plant's operations through 2043.

Energy Northwest also would sell a portion of the enriched uranium to TVA beginning in 2015 to meet needs for its nuclear plants and defray some of Energy Northwest's cost.

Columbia Generating Station license extended to 2043

The Northwest's only nuclear plant has been approved to operate for an additional 20 years. The plant's license was due to expire in 2023 but will now be extended through Dec. 20, 2043. The Nuclear Regulatory Commission signed the relicensing documents Tuesday, May 22, in Washington, D.C.

The Columbia Generating Station has the capacity to produce more than 1,100 megawatts of power, enough to serve a city the size of Seattle. On average, it provides about 10 percent of the power that BPA markets.

"We are very pleased that this reliable, carbon-free resource will continue to be part of the Federal Columbia River Power System for the next 30 years," said BPA Administrator Steve Wright. "The affordability and consistency of nuclear generation provides a strong complement to more seasonal hydropower."

Unlike other resources that are weather dependent, the Columbia Generating Station produces electricity 24 hours a day, seven days a week, unless it is shut down for refueling or maintenance. These outages occur every two years during the spring when the Columbia River Basin has ample runoff to generate electricity through the hydroelectric turbines.

Energy Northwest began pursuing license renewal in 2007. The formal application, more than 2,200 pages, was submitted to the NRC in January 2010. The NRC licenses all individuals who either operate or supervise the operation of a commercially owned nuclear power reactor in the United States. BPA provided over \$17 million for analysis that contributed to the formal application.

BPA donation helps Hood River rescue efforts

The Hood River County Sheriff's Office has added an all-terrain vehicle and two trailers to its inventory thanks to a donation by BPA. The sheriff's office will use the equipment for criminal investigations and search and rescue missions in the county and the Columbia River Gorge.

"This donation has an immediate impact since every resource we can deploy in a rescue effort improves our odds of finding those that are missing and in need," says Sheriff Joe Wampler.

BPA offers excess equipment to suitable state and local governments when it upgrades its fleet to meet changing operational needs.

"Our crews used this equipment to perform work throughout the region, so donations like this ensure our retired equipment continues to serve the people of the Northwest. And in this case, the ATV and trailers could very well help the sheriff's office save a life," says Joel Scruggs from Public Affairs.

The sheriff's office will use the travel trailer as a mobile command center on the scene of major criminal incidents, searches and public events. The utility trailer fills the need to haul multiple ATVs, equipment or material. In addition to search and rescue operations, the ATV will allow personnel to access and haul cargo to remote areas.

Ulrik Larsen, BPA's property disposal officer, says the agency is accountable to the region for getting the most value for its excess equipment.

"BPA could have sold the equipment at market value, but oftentimes we think there's more value in donating items like these to local agencies than selling them outright," Larsen says.

Last year, BPA donated six ATVs that Skamania County now uses for search and rescue operations and some criminal investigations. In 2009, BPA donated a snow cat to the volunteer Volcano Rescue Team of North Country Emergency Medical Services in Yacolt, Wash. BPA's Transmission Line Maintenance crews use snow cats to access remote areas that aren't accessible by their lift trucks. In fact, BPA crews needed snow cats to repair the 115-kilovolt Bonneville-Hood River line that was damaged in a January 2012 storm.

"Providing needed equipment to state and local government organizations brings value to the Northwest and allows those organizations to spend tax dollars on other needs," Larsen adds.

Public Involvement [Updates & Notices]

AGENCY PROJECTS

The Integrated Program Review Kickoff [Regionwide]

The kickoff for the Integrated Program Review is June 5 in Portland. [SEE CALENDAR]

POWER PROJECTS

DSI-Alcoa

BPA and Alcoa signed a deal May 23 to extend the parties' existing 320-aMW power supply contract through June 30. In the meantime, the parties continue to work on the terms of a new power sales agreement for up to 10 years at 300 aMW. The terms of the long-term agreement will be released for public review and comment before the contract is executed. If the terms cannot be agreed upon before June 30, another short-term extension is possible.

Rates High Water Mark

BPA will draft Rate Period High Water Mark loads early this month with customer workshops to be held on June 12 and July 24. All workshops will be in the Rates Hearing Room in Portland. We will provide revised results to all parties on Aug. 15, 2012, which will signal the start of the formal public comment process outlined in the Tiered Rate Methodology. Final numbers will be made available on Sept. 30, 2012, for use in the BP-14 rate case.

The RHWM process will scale customer Contract High Water Marks that were finalized in spring 2011 to an updated Tier 1 System Firm Critical Output, resulting in customers' RHWMs and above-RHWM loads for the fiscal year 2014-2015 rate period.

FISH AND WILDLIFE PROJECTS

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 draft EA is expected in fall 2012. For information, go to www.bpa.gov/go/lolocreekweir.

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

BPA held a public meeting in Bonners Ferry, Idaho, on May 30, 2012, at the Boundary County Library. For information, go to www.bpa.gov/go/kootenaiaquaculture. BPA expects to release a preliminary EA in summer 2012.

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

BPA is incorporating comments into the final EIS expected in summer 2012. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

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. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Kalispel_MOA/.

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

The final EIS was published in the Federal Register March 9, 2012. For information, go to www.bpa.gov/go/midcolumbiacoho.

Springfield Sockeye Hatchery Project [Bingham County, Idaho]

The final EA and FONSI were signed on May 3, 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Springfield_Sockeye_Hatchery/.

TRANSMISSION PROJECTS

Montana-to-Washington transmission system upgrade

BPA initiated scoping for the Montana-to-Washington EIS in April 2012. The comment period closes on July 2, 2012. For more information about the project, visit www.bpa.gov/go/M2W.

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

BPA accepted comments and held public meetings in December 2011 on a proposal to rebuild the Alvey-Fairview No.1 transmission line. BPA expects to publish a preliminary EA in fall 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Alvey-Fairview/.

Precedent Transmission Service Agreement Reform [Regionwide]

BPA is working individually with customer proposals for withdrawing or modifying PTSAs. BPA expects to update customers and stakeholders during the upcoming Customer Forum meeting, June 20-21. For information, go to http://transmission.bpa.gov/customer_forums/open_season_2011/. [SEE CALENDAR]

Network Open Season and Generation Interconnection Reform [Regionwide]

The NOS reform team is hosting a half-day workshop, June 21, 1-4:30 p.m. to update customers and stakeholders on recent progress. For more information, go to www.bpa.gov/go/calendar.

I-5 Corridor Reinforcement Project [Oregon and Washington]

BPA is evaluating potential routes for a proposed 500-kilovolt transmission line to reinforce the power grid in southwest Washington. The draft EIS scheduled for spring 2012 is delayed. Current information will be available online at www.bpa.gov/go/i5.

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

BPA expects to host a public meeting during summer 2012 to explore the commercial aspects of its proposed major upgrade of the Pacific Direct Current Intertie. The project would modernize and simplify equipment at the Celilo terminal and reinforce towers at selected locations on the northern part of the DC line. Construction is proposed to begin in early 2015 and would last about one year.

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. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/MidwayBentonRebuild/.

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 and expects to complete a ROD in late 2012. For information, go to www.bpa.gov/go/lundhillwind.

Whistling Ridge Energy Project [Skamania County, Wash.]

The final EIS was issued in September 2012. As of publication, BPA has not made a decision whether to move forward. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Whistling_Ridge/.

Albany-Eugene Transmission Line Rebuild Project [Linn and Lane counties, Ore.]

BPA issued a final EIS in March 2012. The BPA administrator will issue a ROD in June deciding whether to construct the project. For more information, go to http://efw.bpa.gov/environmental_services/Document_Library/Albany-Eugene_Rebuild/.

Creston-Bell Rebuild Project [Lincoln and Spokane counties, Wash.]

BPA has decided to rebuild the Creston-Bell 115-kilovolt transmission line based on the Final EA and Finding of No Significant Impact (FONSI) signed May 7, 2012. Construction began in May 2012. For more information, go to http://efw.bpa.gov/environmental_services/Document_Library/Creston_Bell/.

Hooper Springs Project [Caribou County, Idaho]

BPA is in the process of developing a draft EIS, which should be available in summer 2012. For more information, go to http://efw.bpa.gov/environmental_services/Document_Library/HooperSprings/.

CALENDAR OF EVENTS

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

Integrated Program Review kickoff meeting

- **June 5**, 1-4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Rate Period High Water Mark Workshop

- **June 12**, 9 a.m.-noon, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Montana-to-Washington transmission system upgrade project scoping meetings

- **June 12**, 5-7 p.m., Missoula Fire Department, Station 4, 3011 Latimor St, Missoula, Mont.
- **June 13**, 5-7 p.m., St. Regis School, 6 Tiger Street, St. Regis, Mont.
- **June 14**, 5-7 p.m., Wallace Inn, 100 Front Street, Wallace, Idaho

Integrated Program Review-Debt Management Technical Workshop

- **June 19**, 9 a.m.- noon, BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Transmission Customer Forum #35

- **June 20**, 9 a.m.-4 p.m., and June 21, 9 a.m.-12 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

IPR Discussion Meetings (topics TBD)

- **July 16-19**, [see www.bpa.gov/go/calendar for updated times] BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

Integrated Program Review — Access to Capital Update meeting

- **July 26**, 1-4 p.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

CLOSE OF COMMENT

Submit comments to www.bpa.gov/comment.

- **June 29** — Requests for IPR discussion meetings due
- **July 2** — Montana-to-Washington transmission upgrade

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.



This year marks BPA's 75th anniversary. On Aug. 20, 1937, President Franklin Delano Roosevelt signed the Bonneville Project Act to deliver the massive benefits of Columbia River hydropower — clean, inexpensive electricity — to citizens of the Pacific Northwest. BPA was built on the idea of providing power for the greater good, and we continue to serve with that spirit today.

To learn more about BPA's rich history, visit www.bpa.gov and check our Facebook page.

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.

