

Journal

August 2012

75th anniversary celebration set for Sept. 15 at dam

It will be an anniversary celebration to remember. On Saturday, Sept. 15, from noon to 4 p.m., up to 1,000 people are expected to turn out at Bonneville Dam for one of the largest events ever planned by BPA, the U.S. Army Corps of Engineers and the Bureau of Reclamation.

The purpose of this family-friendly event is to honor, recognize and thank those with whom BPA has developed partnerships over the past 75 years. "Northwest tribes, constituents, federal agencies and customers are being invited. And what better way to celebrate our 75th anniversary than on the Columbia River," says Cheri Benson from BPA's Public Affairs, who is coordinating this event.

"We will be celebrating an incredibly important event in American history – the very creation of a regional economy, the transformation of the lives of thousands of people who toiled in unimaginable poverty and an absolutely critical contribution to victory in World War II," says Rick Rolf from Public Affairs. "We will also be honoring the vital partnerships that make the Columbia River the incredible resource it is today. This is why our theme is: 'Together, we watch over the river that creates the most amazing energy on earth.' The energy of which we speak is not just power, it is also spiritual, economic, environmental and human."

Three Northwest vintage car clubs will deliver dignitaries and special guests to the main stage at the dam's visitor center on Bradford Island. Gary Stamm, a voice impersonator, will present the speech Franklin D. Roosevelt gave at Bonneville Dam's dedication in 1937.

A celebration is not complete without live music and entertainment, and there will be plenty of it. In addition to historic and cultural displays, a traditional tribal salmon baking demonstration will be offered.

Columbia River Treaty study results released

A series of listening sessions that just concluded have given Pacific Northwest citizens a chance to learn about and discuss new information that will help inform the future of Columbia River operations under the Columbia River Treaty.

The Columbia River Treaty 2014/2024 Review is a series of studies being undertaken by BPA and the Army Corps of Engineers. A policy-level team of federal, state and tribal representatives known as the Sovereign Review Team is in the midst of a multi-year review process designed to help the U.S. Entity identify and consider viable options for the Treaty's future after 2024.

The overarching challenge in this process will be to adequately consider the continuing need for flood control and hydropower, while also considering other issues not addressed in the original treaty, such as irrigation, navigation, the ecosystem and environmental needs, such as fish and wildlife.

Through the Treaty Review effort, the Sovereign Review Team is evaluating alternative ways the Columbia River hydrosystem could be operated after 2024. The team has completed the first of three rounds, or "iterations," of alternatives that will inform an eventual recommendation. This first evaluation included considerations of Treaty continuation versus termination and different approaches to flood management after 2024. The results are summarized in a new fact sheet available on the Treaty Review website.

The Treaty Review is happening now because the Treaty does not have a specified end date but contains a provision stating that after 60 years either nation can decide if it wishes to terminate the Treaty with a minimum of 10 years' written notice. The goal of the U.S. Entity, the body that implements the Treaty for the U.S. government, is to make a recommendation to the U.S. Department of State in September 2013 on whether to continue, amend, modify or terminate the treaty. For more details, see the Columbia River Treaty Review website.



Port of Morrow bond financing is good news for BPA

It's time to locate the Port of Morrow on the Oregon map. It might look like a small dot, but it will soon be home to many of BPA's Transmission Services projects — their financial home at any rate.

The port on the Columbia River near Boardman, Ore., has become a crucial player in BPA's transmission future. As the agency's ability to borrow from the U.S. Treasury to build transmission facilities diminishes, BPA will be relying more and more on nonfederal lease financing as a tool to raise the money for needed projects.

In lease financing, BPA enters into a lease with a third party and the third party uses the lease payments from BPA as credit support to find financing. Potential investors usually look to the strength of BPA as the security behind the debt when evaluating the credit.

The good news out of New York is that two nationally recognized credit rating agencies (Fitch and Moody's) have given the BPA-backed bonds that the port will issue to fund BPA projects a high rating — AA/Aa1, respectively, both with a stable outlook. These very high ratings mean the bonds will generally have a lower interest rate than would bonds with a lower credit rating.

The port issued about \$90 million in bonds in July. That funding will replace several years of interim financing during which transmission projects were financed through short-term nonfederal lines of credit.

Lease financing can be used only for transmission projects. BPA cannot, for example, use lease financing on any facilities related to the hydro projects because they are federal, owned by the U.S. Army Corps of Engineers and the Bureau of Reclamation.

BPA earns highest award for sustainability

Forget going for the gold. BPA just achieved platinum for its sustainability efforts in the Environmental Protection Agency's Federal Electronics Challenge.

"This is the highest award given by the EPA under the challenge," says Kim Leathley, executive vice president of Internal Business Services. "It represents significant work and creativity in finding ways to make sure that BPA manages its electronics in a sustainable, cost effective and responsible way."

The challenge encourages federal agencies to purchase greener electronics, reduce impacts of electronics during use and manage used electronics in an environmentally safe way. Presidential Executive Order 13514 requires federal agencies to reduce greenhouse gas emissions and overall power consumption. This challenge is a creative way of meeting requirements.

BPA's team won the FEC's silver award in 2011 and a gold award in 2004. Aiming for platinum this year, the agency focused on sustainability in five main areas: desktop power management; responsible disposal of used electronics; printer duplex settings and power management; building sustainability into IT purchasing standards; and a power consumption baseline project with facilities and energy efficiency.

Kalispel Tribe joins agencies to protect bull trout

The Kalispel Tribe of Indians is joining the growing ranks of Northwest states and tribes working in partnership with BPA, the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation in an unprecedented set of agreements designed to improve habitat and strengthen fish stocks in the upper Columbia River Basin over the next 10 years.

The new agreement focuses on actions to address impacts of Albeni Falls Dam on fish and wildlife near Lake Pend Oreille and the Tribe's reservation along the Pend Oreille River north of Spokane, Wash. It recognizes the Tribe's resource management expertise and its interest in operations at Albeni Falls Dam and includes provisions for the Tribe to participate in decisions that affect fish, wildlife and water quality.

"The Kalispel Tribe is excited to see this agreement come to fruition as a result of nearly two decades of positive working relationships and on-the-ground successes. We believe this is just the beginning of a strong partnership with the federal agencies, and we are hopeful for the future of our important and treasured resources," said Kalispel Tribal Chairman Glen Nenema.

The agreement makes about \$39.5 million available over 10 years, including \$2.5 million for land acquisitions for wildlife habitat. The Tribe has identified habitat projects to benefit Endangered Species Act listed bull trout as well as west slope cutthroat trout and mountain whitefish. In addition, the new agreement provides for the Tribe, Corps and BPA to work together on water management actions in late summer and early fall to improve downstream water temperature for bull trout and other aquatic species.

"This agreement shows our collective resolve to work together to protect the fish and wildlife resources at Albeni Falls Dam," said Dave Ponganis, regional director of programs for the Corps' Northwest Division office.

AGENCY PROJECTS

Integrated Program Review

BPA kicked off its 2012 Integrated Program Review in early June and posted its Initial IPR Publication at the website listed below. BPA encourages interested parties to review the Initial IPR Publication and comment on the agency's programs and proposed IPR spending levels and cost targets. For more information on the IPR process, go to <http://www.bpa.gov/corporate/Finance/IBR/IPR/index.cfm>.
(SEE COMMENT PERIODS)

PROJECTS UNDER REVIEW

POWER

DSI-Alcoa

BPA and Alcoa signed a deal in July to extend the parties' existing 320-aMW power supply contract through August. 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 on before Aug. 31, another short-term extension is possible.

Southeast Idaho Loads Service

BPA will complete an initial prioritization of possible service arrangements for customer loads in southeast Idaho by the end of fiscal year 2012. As part of BPA's assessment of the merits of each option, the agency is requesting interested parties and customers to provide comments between Aug. 6 and Aug. 27, 2012, on the identified arrangements for service to southeast Idaho loads and on potential environmental issues. BPA will provide information identifying possible service arrangements for southeast Idaho loads and estimated cost to provide context on August 6. A workshop will be held Aug. 16 to review details about BPA's exploration of options for service and answer questions.

Rates High Water Mark

BPA will begin accepting comments Aug. 15 on the computation of FY 2014–2015 Rate Period High Water Marks (RHWMs) and associated outputs, consistent with the requirements of the Tiered Rates Methodology (TRM).

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' RHWM and above-RHWM loads for the fiscal year 2014–2015 rate period.

BPA posted Initial RHWMs and associated outputs on July 24, 2012, at the website below. The information will be reposted Sept. 7, 2012, following the comment period, and final numbers will be available Sept. 30, 2012, for use in the BP-14 rate case.

Net requirements transparency

As specified in Section 17 of the CHWM contracts, BPA has published the Slice/block customers' FY 2013 Total Retail Load and Dedicated Resource data. The spreadsheet with this information will be posted at www.gotonetrequirements.gov under the "Net Requirements Transparency" tab.

BPA will use this data to calculate Slice/block customers' net requirements for FY 2013. Slice/block net requirement amounts

are used in calculating customers' Slice percentages and Tier 1 and Tier 2 block amounts. BPA welcomes comments on this data, and comments that are submitted by Aug. 10 will be considered in BPA's net requirements calculations. BPA will publish final Total Retail Load and Dedicated Resource data no later than Sept. 28, 2012 and will describe any changes from these initially published data.

FISH AND WILDLIFE

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 expects to release a preliminary EA in summer 2012. For information, go to www.bpa.gov/go/kootenaiaquaculture.

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

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

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

On July 11, 2012, the Kalispel Tribe and the three federal action agencies signed 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/ or www.salmonrecovery.gov/Partners/FishAccords/KalispelTribe.aspx.

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

BPA has approved funding for the Yakama Nation's Mid-Columbia Coho Restoration Program. A ROD was issued July 19. For information, go to www.bpa.gov/go/midcolumbiacoho.

Springfield Sockeye Hatchery Project [Bingham County, Idaho]

BPA published a final EA and a finding of no significant impact (FONSI) in May 2012. Construction on the project began in mid-July 2012. For information, go to http://efw.bpa.gov/environmental_services/Document_Library/Springfield_Sockeye_Hatchery/.

TRANSMISSION

Montana-to-Washington transmission system upgrade

BPA initiated scoping for the Montana-to-Washington EIS in April 2012 and held public meetings in June. Sixty-six comments were submitted during the scoping comment period that closed 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 briefed customers at public meetings June 21 and continues working individually with customer proposals for withdrawing or modifying PTSAs. BPA's goal is to complete negotiations and post proposed agreements for public comment by August. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Network Open Season and Generation Interconnection reform [regionwide]

The NOS reform team briefed customers and stakeholders during a half-day workshop June 21. BPA anticipates more workshops for participants to give input and share feedback, with dates to be determined. (SEE 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 is now scheduled for late 2012. Current information is available online at www.bpa.gov/go/i5.

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

BPA expects to host a public meeting later this summer to explore the commercial aspects of its proposed project to upgrade the Pacific Direct Current Intertie. This work 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. BPA published a preliminary EA in June 2012 and accepted comment through July 23, 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 2011. 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/.

Hooper Springs Project [Caribou County, Idaho]

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

PROJECTS UNDER CONSTRUCTION TRANSMISSION

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

BPA issued a final EIS in March 2012. The BPA administrator issued a ROD in June 2012 to proceed with the project. Construction began soon afterward. 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 accepted comments on the preliminary EA through April 25, 2012, and published a FONSI in May. For more information, go to http://efw.bpa.gov/environmental_services/Document_Library/Creston_Bell/.

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

For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Big_Eddy-Knight/.

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

For information, go to www.bpa.gov/go/coulee.

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.

IPR discussion meeting

- **Aug. 2, 2012**, 4:30 p.m. to 7:30 p.m., Seattle Public Library, 1000 4th Ave., Seattle, WA 98104

Rate Period High Water Marks for Customers

- **Aug. 9, 2012**, 1-4 p.m., BPA Rates Hearing Room, 911 NE 11th Ave., Portland, Ore.

South Idaho Loads Service meeting

- **Aug. 16, 2012**, 9 a.m. to 11 a.m., BPA Rates Hearing Room, 911 N.E. 11th Ave., Portland, Ore.

COMMENT PERIODS

Submit comments to www.bpa.gov/comment.

- **Aug. 6-Aug. 27, 2012** – South Idaho Loads Service
- **Aug. 9-Aug. 31, 2012** – Rate Period High Water Mark – computation of FY 2014/15 Rate Period High Water Marks and associated outputs.
- **Aug. 10, 2012** – Integrated Program Review – review of BPA's programs, their values, goals and costs.

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.

