

Journal

October 2012

Celebrating 75 years of service

Seventy-five years ago, President Franklin D. Roosevelt signed the Bonneville Project Act that created the Bonneville Power Administration and delivered a major address at Bonneville Dam. On Sept. 15, 2012, the historic event was re-enacted at the dam's Bradford Island visitors center, where thousands of North-westerners celebrated the Columbia River.

FDR was played by Gary Stamm, an actor known as Roosevelt's foremost impersonator. He was followed on the podium by U.S. Rep. Suzanne Bonamici, D-Ore.; U.S. Rep. Jamie Herrera Beutler, R-Wash.; BPA Administrator Steve Wright; Col. Anthony Funkhouser, commander, Northwestern Division, U.S. Army Corps of Engineers; and Lori Faeth, deputy assistant secretary for Policy and International Affairs, Bureau of Reclamation. Deputy Administrator Bill Drummond read a message of congratulations from President Barack Obama.

Northwest tribes, represented by Roy Sampsel from the Institute for Tribal Government at Portland State University and others, played a major role in the event. They celebrated the return of salmon to the Columbia River with a traditional salmon bake and other ceremonies. Construction of hydroelectric dams on the Columbia River endangered salmon and other fish and wildlife. But in a spirit of partnership, the tribes and federal agencies, once mired in litigious conflict, have created the largest ecosystem restoration program in the world.

The day's activities included entertainment, tours of the dam and educational activities for kids of all ages.

Wright told the crowd that Bonneville and other Columbia River federal dams are an essential part of the Northwest's identity and history. Life in the region today would be "unrecognizable" without the facilities and the low-cost, clean power they provide, he said.

He concluded his remarks quoting a familiar refrain from songwriter Woody Guthrie, "Roll on, Columbia, roll on."



Hundreds of employees and BPA supporters gathered to hear speakers at the 75th anniversary celebration at Bonneville Dam. The speakers and other dignitaries arrived in a motorcade of more than 20 vintage automobiles from the 1930s. The Sept. 15 event also included entertainment, tours of the dam and educational activities for kids of all ages.

Watch clips from the event on our YouTube channel. For more on BPA's 75th anniversary, go to www.bpa.gov/corporate/About_BPA/75th/.

Watch us work

CREWS USE WETLAND MATS TO PROTECT THE ENVIRONMENT DURING CONSTRUCTION

BPA crews faced a challenge when they moved a transmission tower near Wilsonville, Ore.: They needed to protect sensitive soils. So crews used innovative wetland mats to protect the area around the tower. See how the mats prevented erosion and the need for restoration after construction.

TO WATCH this and other videos, go to www.bpa.gov/go/news. You can also visit our **Facebook** page and **YouTube** channel.



Revitalizing the hydro system

As BPA celebrates its 75 years, it's also making sure the Federal Columbia River Power System — which includes 31 dams and generates a third of the energy used in the Northwest — will provide low-cost, carbon free power for years to come. BPA partners with the dam owners and operators — the U.S. Army Corps of Engineers and the U.S. Bureau of Reclamation — to carry out an FCRPS Asset Management Strategy developed in 1999.

The agencies recently refreshed the strategy for a two-year cycle, which consists of two programs: funding for maintenance, operations and minor equipment replacements; and a large capital program for equipment replacement or refurbishment driven primarily by equipment condition and risk.

Under the large capital program, Grand Coulee Dam's six generating units in its Third Powerhouse will be refurbished. These units, which provide about 18 percent of the FCRPS total generating capacity, were installed in the mid-1970s. The project's goal is to ensure the dam can provide at least another 30 years of dependable service.

In a previous asset strategy project at Grand Coulee Dam, turbine runners were replaced. That project increased energy production by an estimated 31 average megawatts. With an installed capacity of 6,809 megawatts, Grand Coulee is the largest generating project in the United States.

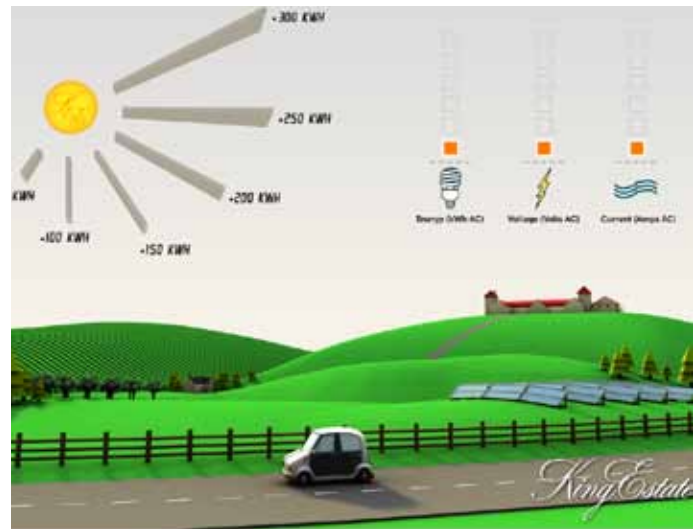
Winery pairs vines with volts

The King Estate Winery near Eugene, Ore., is meticulous about its grapes. And because healthy wines require healthy soil, the winery is also meticulous about the earth. You'll find raptors, not pesticides, in the organic vineyard. You'll find productive bugs, not poisons.

And now, you'll also find 4,100 solar panels, painstakingly placed on the 1,000-acre estate to harvest the sun's rays.

The King Estate solar vineyard became the first utility-scale solar project to connect to BPA's transmission system earlier this year. The winery recently launched an online solar monitoring tool where visitors can see how much energy the plant is producing in real time.

The Willamette Valley is proving its value for both wine and watts. While the winter months are generally cool and wet, the plant can generate power even on cloudy days. And Willamette Valley summers bring months of sunshine. This growing season, buds on the vines popped early, and the 1,000-kilowatt project is meeting more than 50 percent of the winery's power needs.



This monitoring tool on King Estate's website provides a real-time snapshot of solar generation.

In six months, the winery produced about 600,000 kilowatt-hours of clean, renewable power. King Estate uses about 2 million kilowatt-hours of energy annually. The winery meets its remaining energy needs with power purchased from Lane Electric Cooperative. King Estate is the co-op's largest customer.

BPA provides a balancing service for the variable solar plant — the same service it provides to the dozens of wind projects on its system that total more than 4,700 MW. BPA uses the federal hydropower system as a giant storage battery, ramping generation up and down to make up for unexpected increases or decreases in variable wind and solar energy.

While the first solar addition to BPA's environmentally friendly power portfolio was a project in Ashland, Ore., in 2000, King Estate is the first project large enough to require BPA metering equipment for revenue purposes.

There are 10 other solar projects in line to connect to BPA's transmission system, including a 75 MW project in Kittitas County, Wash., which would be one of the largest solar projects in the world. The agency could have more than 150 MW of solar connected to its system by 2016, but many projects hinge on the extension of state and federal tax credits for renewable energy.

"Sustainability is a part of our company culture. It definitely emanates from the top down," explains Sasha Kadey, King Estate spokesperson. "It's not a gimmick — we just believe it's the right thing to do."

Its culture of sustainability fueled King Estate's commitment to the solar project, which took more than five years to get off the ground.

“We had to educate ourselves. There were a lot of moving parts, a lot of people involved,” Kadey says.

Then there were the financial challenges. “It took a long time for us to get anywhere, to find out how to take full advantage of the tax credits,” Kadey says. “We started looking for partners, and that’s when we found SolarCity, which basically has a turn-key model to deal with the kinds of issues we were facing.”

SolarCity, an energy services provider based in San Mateo, Calif., designed the solar plant and provided the financing, and Advanced Energy Systems installed the power system.

“It’s already worth the effort, and I think it will prove out even more,” Kadey says. More than 100,000 people visit the winery each year, and the project is in a public-facing position, visible from the nearby highway. “The solar vineyard will introduce many people to the possibilities of solar,” Kadey says.

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.

Public Involvement [Updates & Notices]

AGENCY PROJECTS

Capital Prioritization Plan [Regionwide]

BPA has posted its plan to develop a systematic, transparent methodology to prioritize discretionary and policy-driven capital investments across the agency's asset classes. In the past, BPA has prioritized investments within asset categories but not across asset categories. Adopting a systematic, value-based methodology for prioritizing capital investments across business units will help BPA balance investment needs, power and transmission rate effects, and access to low-cost capital. BPA expects to begin implementing the methodology in Information Technology and Transmission early in the spring of 2013. For information, go to www.bpa.gov/goto/CapitalPrioritization.

Debt Optimization update [Regionwide]

BPA has posted a letter on its website confirming there have been no changes to Debt Optimization since the agency closed the program in February 2010. The agency agreed to hold public meetings if it resumes refunding for debt optimization. BPA has no plans for additional debt optimization transactions. For information, go to www.bpa.gov/goto/DebtOptimization.

Access to capital strategy [Regionwide]

BPA is accepting comments through Oct. 10 on a comprehensive draft strategy for maintaining access to capital over a rolling 10-year period. BPA developed the strategy after holding several public discussions and evaluating comments received on the agency's goals regarding access to capital. The draft strategy document includes

a discussion of prioritizing capital investments, a key theme in stakeholders' comments. The document, “BPA's Access to Capital Strategy,” and a letter from BPA's Chief Financial Officer Claudia Andrews are posted at www.bpa.gov/goto/AccessToCapital. Questions can be sent to BPAFinance@BPA.gov.

PROJECTS UNDER REVIEW

Power

Power Prepayment Program [Regionwide]

BPA will hold the last of several webinars in October to discuss the power prepayment program and recently issued request for offers. For information, go to www.bpa.gov/goto/powerprepay. [SEE CALENDAR]

Alcoa power supply contract [Regionwide]

BPA and Alcoa signed a deal in September to extend the parties' existing power supply contract through December. Consistent with the amount proposed in the long-term agreement, the amount of firm power that will be supplied to Alcoa under this extension is 300-average megawatts. This is a reduction from the 320 aMW supplied in the previous contract extensions. In the meantime, the parties continue to work on the terms of a possible new power sales agreement for up to 10 years. The term of any proposed long-term agreement will be released for public review and comment before the contract is executed. If the terms cannot be agreed on before the end of the year, another short-term extension is possible.

Port Townsend power purchase contract [Regionwide]

BPA is completing its Record of Decision on the proposal to extend Port Townsend Paper Corp.'s power purchase contract nine years. The amendment would provide power to the Port Townsend, Wash., paper mill at the Industrial Firm Power rate through September 2022, potentially preserving about 300 family wage jobs in a community of 8,300 residents. The ROD, which is expected to be released sometime this month, will be posted at www.bpa.gov/goto/PTPC.

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 fall 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 late 2012. For information, go to www.efw.bpa.gov/environmental_services/Document_Library/Klickitat_Hatchery_Program/.

TRANSMISSION

Keeler-Tillamook line rebuild project [Washington and Tillamook counties, Ore.]

BPA is reviewing comments from two public meetings in September on a proposal to rebuild 58 miles of two transmission lines between Hillsboro and Tillamook, Ore. For information, go to www.bpa.gov/goto/keelertillamookrebuild.

Precedent Transmission Service Agreement reform [Regionwide]

BPA updated customers at the Sept. 20 Network Open Season meeting and continues individual negotiations with customers on their proposals to withdraw or modify PTSAs. BPA's goal is to complete negotiations and begin posting proposed agreements for public comment in mid-October. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Network Open Season and Generation Interconnection reform [Regionwide]

BPA will use feedback from the Sept. 20 workshop to make additional refinements to its plan for the next Network Open Season process. For information, go to http://transmission.bpa.gov/customer_forums/nos_gi_reform/.

Pacific Direct Current Intertie Upgrade [Wasco, Jefferson, Crook, Deschutes and Lake counties, Ore.]

BPA is hosting three public scoping meetings in October on its proposal to upgrade the Pacific Direct Current Intertie. This work would expand the Celilo Substation, modernize and simplify equipment at the Celilo terminal, improve access roads, and reinforce

towers at selected locations on the northern part of the DC line. Construction is proposed to begin in January 2015 and would last about one year. BPA is accepting comments through Oct. 29, 2012. [SEE CALENDAR]

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.

Power Prepayment Program Live Meeting

- **Oct. 4**, 9 a.m. to noon
To participate by phone: 877-807-5706; pass code 571580
Live Meeting: www.livemeeting.com/cc/bpa/join; meeting ID: Prepay 101-3
- **Oct. 23**, 9 a.m. to noon
Phone bridge: 877-807-5706, pass code 298834
Live Meeting: www.livemeeting.com/cc/bpa/join; meeting ID: Prepay 201

Pacific Direct Current upgrade project public scoping meetings

- **Oct. 9**, 5 to 7:30 p.m.
Lakeview Town Hall, 525 N. First St., Lakeview, Ore.
- **Oct. 10**, 5 to 7:30 p.m.
Crook County Library, Broughton Room, 175 N.W. Meadow Lakes Drive, Prineville, Ore.
- **Oct. 11**, 4:30 to 7 p.m.
Columbia Gorge Community College, Building 2, third floor lecture hall, 400 E. Scenic Drive, The Dalles, Ore.

CLOSE OF COMMENT

Submit comments to www.bpa.gov/comment.

- **Oct. 29**, Pacific Direct Current Intertie upgrade
- **Oct. 10**, Access to capital strategy

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.

